



JPRS Report

East Europe

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Parliament for North Atlantic Assembly Membership

LD0207171291 Prague Ceskoslovensky Rozhlas Radio Network in Czech 1330 GMT 2 Jul 91

[Report on Federal Assembly activities by Jan Kulhavy]

[Excerpts] Deputies devoted this afternoon's session to a discussion on the proposed statement on the final report of the parliamentary commission supervising the withdrawal of the Soviet troops. The first topic was the ecological damage caused by their so-called temporary presence. Minister Josef Vavrousek, chairman of the Federal Environment Committee, said in this connection that the extent of the contamination of our soil and water resources, contaminated by the Soviet Army's oil products, has no equal in Europe, and that is the reason why it is very difficult today to estimate the expected costs of the decontamination. [passage omitted]

The deputies then discussed a proposal for another statement by which the Federal Assembly would accept an offer for associate membership in the North Atlantic Assembly. [passage omitted]

In conclusion, the parliament voted in favor of accepting associate membership in the North Atlantic Assembly.

Bid To Recognize Slovenia, Croatia Rejected

LD0207162791 Belgrade TANJUG in English 1400 GMT 2 Jul 91

[Text] Prague, July 2 (TANJUG)—The Federal Assembly of Czechoslovakia today rejected a deputy's proposal that it should instruct the government to recognize the independence of Slovenia and Croatia.

A house of the people deputy, independent, asked a joint session of both chambers of the assembly that Czechoslovakia engage in convening the UN Security Council into an emergency session, at which it would present a draft resolution calling for a [words indistinct] "urgent and unconditional withdrawal of the Yugoslav Army from Slovenia and Croatia."

The deputies turned down the draft by a majority vote.

The Czechoslovak Assembly is discussing the possibility of adopting and publishing a statement on the present situation in Yugoslavia.

Slovakia Postpones Treaty With Slovenia

LD0307081491 Bratislava Ceskoslovensky Rozhlas Radio Network in Slovak 1930 GMT 2 Jul 91

[Text] The government of the Slovak Republic held a session in Bratislava today. It approved a draft bill on Slovak trade inspection and the federal fund for science and research. Debate on draft bills on the system of taxation, levies, income tax and value-added tax were postponed by the government, because some points must be clarified. It also took note of a draft amendment to the

state budget of the Slovak Republic based on expected higher income. It approved the distribution of an additional 5 billion korunas to increase the budget in several areas.

The government decided to adopt a three-month moratorium on the planned treaty between Slovakia and the Slovenian Republic because it does not want to negatively influence the solution of the crisis in Yugoslavia.

Carnogursky on Slovakia's Place in Europe

AU0207160791 Bratislava NARODNA OBRODA in Slovak 1 Jul 91 pp 1, 4

[Interview with Slovak Prime Minister Jan Carnogursky by an unidentified CTK correspondent in Krakow on 30 June: "A Need for a Broader Framework"—first paragraph is NARODNA OBRODA introduction]

[Text] Krakow—The three-day conference on the opportunities for Central European cooperation, involving state representatives and experts from Poland, Czechoslovakia, and Hungary, came to an end in Krakow yesterday. Slovak Prime Minister Jan Carnogursky said in an interview for CTK that the conference's main contribution consists of clarifying mutual relations among the three states and four nations in Central Europe during the period following the collapse of Communism and prior to our involvement in European integrative groupings.

[CTK] Mr. Prime Minister, you devoted your speech at the conference to Central European integration, while earlier you had supported the efforts of Slovenes and Croatians, efforts oriented toward disintegration that also endanger European integration. Is there not a contradiction in this?

[Carnogursky] No. My telegram to Slovenia and Croatia was a reflection of the fact that the current model for the Yugoslav arrangement is not working. It is realistic to seek a new model for a mutual arrangement involving the current union republics, a model that Slovenia and Croatia are also seeking. It is necessary to seek this new model for an arrangement involving the current union republics out of respect for nations' rights to self-determination. As far as Central European integration is concerned, even this will not be implemented on the basis of a denial of nations' rights to self-determination. Therefore, there is no contradiction in this.

[CTK] Do you think that the progress toward Central European integration could have a positive influence on our domestic political development and on settling the disputes between the republics?

[Carnogursky] This issue—that is, settling the disputes between the Czech and Slovak Republics—is not the primary one in this cooperation. However, cooperation between Poland, Czechoslovakia, and Hungary should have a favorable influence on our domestic discussions. This is a grouping in which we all know each other

relatively well and is an opportunity for Slovakia to highlight its identity within this broader constellation and to experimentally demonstrate the viability of such a concept for our domestic arrangement that would lead toward broader Central European cooperation, European cooperation and then, within its framework, toward Slovakia's independence rather than toward arranging cooperation between the Slovak and Czech Republics. Central European integration may also give our domestic development a constructive perspective.

[CTK] Do you not feel that cooperation in the Prague-Warsaw-Budapest triangle is limited to the political elite, while specific projects—mainly economic ones—become unstuck?

[Carnogursky] So far, the main intellectual elite realizes the necessity of cooperation. The majority of ideas start out as the property of the elite and later end up as the property of broader sectors. Still in connection with your question: Slovakia will do all it can to ensure that it is not Warsaw-Prague-Budapest cooperation, but is Warsaw-Prague-Bratislava-Budapest cooperation.

[CTK] What is Bratislava's opinion of initiatives such as joint banks or free trade zones?

[Carnogursky] We will support this; it will be some time yet until we transfer to a free trade zone. However, we want to make trade among the four republics easier by taking gradual steps. This is a market of 60 million people.

[CTK] How is Slovakia progressing in regional cooperation with its neighbors to the south and north? Has it moved from declarations and intentions to specific steps?

[Carnogursky] No, this has not happened yet. I consider it one of the Slovak government's tasks to ensure that this happens.

Charter 77 Issues Appeal on Yugoslav Crisis

LD0207103291 Prague Ceskoslovensky Rozhlas Radio Network in Czech 0830 GMT 2 Jul 91

[Text] Charter 77 has issued a document on the current crisis in Yugoslavia in which it appeals to the world public, stating: The nations of Yugoslavia are striving to free themselves from totalitarian conditions. As the recent referendum shows, they are able to defend this will in a legal, democratic way. Charter 77 therefore appeals to politicians of countries with democratic traditions to properly assess the means they are using, since ignoring the free will of nations does not contribute to peace or stability in a region but slows down development, escalates tension, and can lead to further cruelties. Peace and independence cannot come into being as a gift or by permission from Western democracies. It is necessary, the Charter 77 document further states, that democratically minded citizens of neighboring countries join

their efforts, neutralize their own political extremists, and they themselves internally turn away from violence.

Charter 77 therefore appeals to the general public to realize that it is necessary to reassess the idea of human and civic rights. Human rights cannot be secured in any other way than through observing human duties to others. At the end of the document, confidence is expressed that the further fate of the world rising from cultural ruins depends on how we implement our human rights and, in particular, our human duties toward other individuals and other nations.

Yugoslav Events Seen as 'Warning' for Slovakia

AU0307084891 Bratislava SLOVENSKY DENNIK in Slovak 1 Jul 91 p 3

[Commentary by "h": "The Warning Example of Slovenia and Croatia; Slovakia Must Pay Heed to Power Interests"]

[Text] Slovenia and Croatia declared their sovereignty on the basis of the results of referendums, in which the people of the two republics expressed their will to live independently. According to the world public, what they lacked was the consent of, or agreement with, the other members of the socialist federation. I am not sure whether the Slovenes and Croats would have ever achieved their freedom if they followed this advice, for the other federal partners ignore them and are doing everything to prevent them from becoming independent. The world powers are not overly pleased with this process because it does not fit into their strategy for gaining control over Central Europe and even the whole world. Had the great powers recognized the right to self-determination, documented by the referendums, the bloodshed among the southern Slavs could have been prevented.

Certainly, there are many reasons that the sovereignty of those republics has not been recognized. Yet it is necessary to draw attention to at least one of them. In both republics, which were the first Slavic nations to assimilate Christianity, which they did as early as the ninth century, the population is overwhelmingly Christian. After the recognition of their independence, Slovakia, too, would move into a more advantageous position within the framework of Central Europe. In that case a zone of Christian states would be created reaching from the Adriatic to the Baltic (comprising Slovenia, Croatia, Austria, Hungary, Slovakia, Poland, and, possibly, even Moravia), in which Western Freemason lodges would lose their power and influence.

Our and the Yugoslav federation have more in common than just the common Slavic foundation. The exponents of the freemasonry traditions and of fawning upon this—for the Slovaks, Slovenes, and Croats unacceptable—power, are the so-called federalist nations. As long as the world Freemason lodge manages to sustain these federations, it will be fully in control of the center of

Europe and, by the same token, of the entire old continent. This is why there is such struggle for this region. Messrs. Mitterrand, Havel, Dienstbier, and others champion the idea of a European confederation while condemning in advance the Czech and Slovak confederation, were it to come into being, predicting that it would not be functional. What about the European confederation? Would it also be unable to function?

The Western world of freemasonry has now demonstrated that it is not interested in "producing" chairs for individual nations to enter Europe. The interesting thing about this is that Messrs. Mitterrand and Bush defend the Bill of Human Rights and Freedoms and other such documents but recognize the right to self-determination only insofar as it fits into their power strategy.

This is both a warning and an obligation for Slovakia's present political leadership.

Commentary Says Slovak, Slovene Cases Related

*AU0207150291 Prague CTK in English 0727 GMT
1 Jul 91*

[Text] Bratislava July 1 (CTK)—In a commentary on the declarations of independence by Slovenia and Croatia, the daily NARODNA OBRODA writes that reactions by foreign countries, marked by diplomatic ignorance, actually encouraged the military intervention by the Yugoslav Government against the two breakaway republics. It adds that political observers note parallels of the Balkan situation with Czechoslovakia, where a situation similar to Yugoslavia could arise if separatist tendencies prevailed over the majority of the will of the Slovak population to preserve one state with the Czech Republic. Czechoslovakia's breakup would not be received with understanding by the international community either, especially if it were brought about at the initiative of Slovak political representatives. NARODNA OBRODA notes that chairman of the Christian Democratic Movement [KDH] Jan Carnogursky was the only Czechoslovak Official to state his positive attitude toward the declarations of Slovene and Croatian independence. This can be regarded not only as a gesture of political solidarity but also as proof of KDH determination to get Slovakia into Europe in a democratic way as an independent entity.

The KDH daily SLOVENSKY DENNIK says it is interesting that Messrs. Mitterrand and Bush defend the declaration of human rights and other such documents but recognize the right for self-determination only insofar as it fits into their power strategy. This is both a warning and an obligation for Slovak leaders.

The daily VEREJNOST, founded by the Public Against Violence [VPN] movement, writes that tanks in the streets of Ljubljana should compel us to give a thought to what the reappearance of European intolerance will bring to Europe and its population, and what it will bring to Slovaks and Czechs who already have experience of more than tragic consequences. Serbo-Croatian and

Serbo-Slovene hostility could become an inspiration for some political adventurers in Slovakia and Bohemia, the paper warns.

Communist Party Holds Constituent Congress

*AU0307091791 Bratislava PRAVDA in Slovak
1 Jul 91 p 2*

[Report by Milan Berta: "Faithful to Marxism-Leninism"]

[Text] Zvolen—More than 60 delegates from 21 districts participated in the constituent congress of the Communist Party of Slovakia [KSS] '91 held during the weekend. They unequivocally acknowledged the ideas of Marxism-Leninism and communism, but not as some kind of lesser dogma. Representatives from the Communist Party of Czechoslovakia [KSCS] and the Party of the Democratic Left [SDL] were among the guests from eight other political parties.

A topic of discussion—often repeated at the congress—was the party's attitude toward the other parties and movements. There was also criticism of the SDL for the way it changed its name. However, this does not mean that the KSS '91 would not like to cooperate with the SDL. On the contrary, very close collaboration is envisaged with it and the Union of Slovak Communists. The congress' delegates distanced themselves from the mistakes made in the past by KSS and KSC [Communist Party of Czechoslovakia] functionaries. However, they also rejected the attempt to simplistically negate past decades.

According to its leading functionaries' estimates, the KSS '91 currently has around 10,000 members. The party expressed itself in favor of preserving Czechoslovakia on the federation principle. It wants to affiliate people in its ranks who did not compromise themselves in the past and who maintain themselves by their own labor. A congress declaration expresses support for the conclusions reached at the 18th KSCS Congress. The delegates elected a 17-member party central committee. Julius Fejes was elected its chairman. The KSS '91 is based in Zvolen.

Meciar on Social Policy, Putsch Accusations

*AU0107181991 Prague RUDE PRAVO in Czech
28 Jun 91 pp 1, 13*

[Interview with Vladimir Meciar, Movement for a Democratic Slovakia chairman, by Pavol Minarik; place and date not given: "We Cannot Turn Our Backs on the Citizens"—first paragraph is RUDE PRAVO introduction]

[Excerpts] Former Slovak Prime Minister Vladimir Meciar was elected chairman of the Movement for a Democratic Slovakia [HZDS] during the movement's first assembly. We interviewed him on politics, the economy, and other issues. [passage omitted]

[Minarik] You went from the government straight into the opposition. How do you feel there?

[Meciar] No worse. However, I am not pleased by the direction in which development in Slovakia is going. I am rather sad about the be-all and end-all changes in a government that, for a period of two months, has been unable to say what it wants. It has not even managed to implement what we started. This is not some kind of nostalgia, but a reaction to the dreadful mistakes that are now being made and for which many Slovak citizens are now paying. As a consequence of grave political errors and the violation of legal codes and democratic principles, 1991 will be a very bad year for Slovakia. [passage omitted]

[Minarik] You declared at the assembly in Banska Bystrica that a free citizen cannot be a hungry citizen. What did you mean by this?

[Meciar] Democracy, freedom, and human rights are often mentioned in our country. However, this does not mean that the price of freedom has to be an unconditional decline in living standards almost to the verge of starvation. Many right-wing politicians today say: Let the citizen look after himself. It will be possible to take such suggestions into consideration when the free market has been operating in our country for a number of years, when the citizen has adapted himself to it, when an effective social security structure has been established, and when it is possible to find work again and again. It is impossible for the state to turn its back on the citizen day in day out and to stop taking an interest in him. It is also unacceptable that many people fall through the social security net—which has large loopholes—and that, instead of doing creative work, people passively wait for support from the state. We do not agree with this policy.

[Minarik] While you were still prime minister, you were accused of attempting a left-wing putsch in Slovakia. Other accusations of militant tendencies have recently been added to this. You have expressed your fears that if such accusations against you continue, the federal organs would certainly arrest you. Could something like this be possible?

[Meciar] I feel that a few days ago something akin to this surrounded me like a shadow. It is now two months since I was prime minister and various investigating commissions are searching for reasons to confirm the correctness of the Slovak National Council Presidium's decision about recalling me. Because they did not find any serious mistakes in my work, they are beginning to reveal various pieces of misinformation about my dangerous personal tendencies. I laugh at some of them, but others exceed the limits of legality and I have a right to defend myself against them. I must mention that the claim about a left-wing putsch was absolute nonsense which, unfortunately, the Castle also supported. However, there is no end to "putsch mania" in Slovakia. Articles began to appear in the press recently according to which I was preparing a military coup in cooperation with the

Eastern Military District in Slovakia; this was nonsense from beginning to end. The people who make these claims want to destabilize the Army, want to conduct purges among its ranks, and also want to "blemish" my character. The attempt to accuse me of antistate activity is not a joke that I can just laugh off. It is not so long ago since certain repressive organs—under the pretext that it was necessary to do something with me—dealt with me on the basis of these flagrant inventions and lies. Therefore, they placed me under surveillance; they are still doing this.

[Minarik] Thank you for the interview.

Length of Military Service To Be Reduced in 1993

AU0307090391 Bratislava SMENA in Slovak
28 Jun 91 p 2

[Interview with General Imrich Andrejcak, deputy minister of defense, by "zv"; place and date not given: "They Will Draft a Soldier"—first paragraph is SMENA introduction]

[Text] This week, at a meeting with journalists, Imrich Andrejcak spoke about further developments in the Army and about the impact of the past on the current situation. In this context, we asked him:

[SMENA] How is Slovakia preparing itself for the deployment of [additional] troops there?

[Andrejcak] Additions were just completed to the barracks in Roznava, Jelsava, Rimavska Sobota, Sturovo, and Komarno. Because the Soviet Army's living conditions differ from ours, we have to adjust the buildings. The technical alterations require tremendous financial means—in the individual barracks between 10 and 40 million korunas. There is no shortage of suppliers. As long as the funds suffice, we could complete the deployment a year earlier than planned, i.e. as early as 1992.

[SMENA] The Czechoslovak Army received grand offers from abroad for training courses for officers.

[Andrejcak] We already have four officers in Germany, and four more will start this year. The language deficiency of the candidates is a great hindrance in utilizing the offers. The United States has provided us with three English teachers free of charge. We form the language courses to avoid losing even a single position.

[SMENA] How does it look in the area of cutting down or even abolishing the draft?

[Andrejcak] Over the past six weeks, I have discussed this issue with representatives of ministries and strategy institutions of the Western armies. We reached a consensus that the continental states would never have sufficient resources to keep a professional army. This means that the draft will stay with us for many years to come. As the armies will be reduced, we will also reduce the number of our troops. The boys will have to go through an alternate kind of military service (for

instance, a civilian one). Those drafted in the fall of 1993 should serve only 12 months.

Privatization Law Amendment Explained by Jezek

*91CH0666C Prague LIDOVE NOVINY in Czech
28 May 91 pp 1, 3*

[Interview with Eng. T. Jezek, minister for the administration of national property and its privatization in the Czech Republic, by Alena Vlkova; place and date not given: "Rental Is at the Forefront of the Interest; On the Amendment of the Law on Small Privatization"]

[Text] [Vlkova] The law on small privatization saw the light of day in November of last year. Its six months of application in practice has drawn attention to several shortcomings and, consequently, the Ministry for the Administration of National Property and Its Privatization of the Czech Republic has worked out a proposal for amendment, regarding which the most varied conjectures are circulating, particularly among the entrepreneurial public. We, therefore, asked the most competent person in that area—Minister Tomas Jezek—what specific changes the proposed amendment contains? He told us the following:

[Jezek] We submitted the proposed amendment to the Federal Assembly some time ago and, for now, it is waiting in line with other laws to be discussed. This primarily involves one, strategically important matter—extending the required rental period from two to five years. As a remark below the line, I would say that it has a somewhat bittersweet taste for us because in processing the submission of the law, we proposed this five-year rental period. Two years of rental were considered only for operating units which are located in private houses, so that ownership rights would be restricted to a minimum. Mysteriously, perhaps through oversight, these two years were then anchored in the law generally. It was a "boo-boo" which can be rectified precisely by this amendment, which is retroactive.

[Vlkova] However, this is not the only proposed change....

[Jezek] An additional amendment is more of a processing character, even though it is also important—it shortens the three-minute interval prior to the third fall of the auctioneer's hammer to a minute or 30 seconds, or possibly contemplates rescinding this interval altogether, something which should lead to more speedy auctions. If the delegates do not approve it, it would not be so tragic, in contrast to the first amendment, about which we have already spoken.

[Vlkova] We hear that the number of persons is to be reduced so as to facilitate a Dutch-type auction—in other words, an auction in a downward direction....

[Jezek] Yes, we believed in the beginning that we would simplify it if we reduced the legal requirement for the number of participants from five people to two. But

since then it has been shown that the public regards a Dutch auction as a fraud. Resistance to it is great that we, finally, backed down from our proposal and things remain as they are.

[Vlkova] You speak of resistance on the part of the public to a Dutch auction. What is your opinion in this connection with regard to fraudulent speculation which is occurring during auctions at Mlada Boleslav, as the press recently informed the reading public?

[Jezek] In my opinion, some journalists do not have solidarity on their mind when they write only regarding sensational news and do not take the trouble to look beneath the surface of things. A journalist who is interested only in some kind of swindle, theft, murder, or rape is, to me, a bad journalist. At Mlada Boleslav, nothing demonstrably fraudulent took place. Why could people not come to terms? The atmosphere becomes close surrounding a current affair and the public then is left with the impression that something dirty is happening. From the very beginning, we maintained that as long as we are interested in the proceeds then we are primarily looking for managers. The objective of privatization was, is, and will be to make property accessible to our citizens to the maximum possible extent. And this is also facilitated by a Dutch auction which we shall not discontinue, despite the fact that some people would like to see that.

[Vlkova] In a conversation with the director of the Prague Privatization Commission, T. Kejla, we encountered the problem of the so-called drawn blinds. He told us that the law does not facilitate their privatization because they do not correspond to the definition of an operating unit. Did you not think of this problem in your amendment?

[Jezek] That would be excessively complicated. "Drawn blinds" are a matter for the municipal authorities—they have them fully in their hands. Why have they not long since compiled a listing of these facilities and offered them to those who are interested? I asked myself why they are not doing so, what is preventing them from doing that? If anyone is a miserable organ failing to fulfill their function, then it is precisely the Municipal Office of the Capital City of Prague.

[Vlkova] Could you make this contention more precise?

[Jezek] I have two fundamental reservations with respect to the municipal authorities. First—they have to this day not given a single centimeter of land to any foreign investor who might be capable, over a period of three months, of establishing, say, a supermarket. And our construction enterprises are out of work.... In our government, we summoned Mayor Koran on the "carpet"—he explained some things, but nothing changed. Secondly—the municipal authorities used an illegal method to transfer the right to manage, vested in some enterprises, to the city of Prague—specifically, the Clothing Service, the Prague Restaurant Establishment, the Hair-dressing Establishment, the Taxi Service, the KAPPA studios. This is a clear circumvention of the law and we

shall therefore discuss this matter within the government; we have already discussed it even within the Czech National Council.

[Vlckova] What do you consider to be circumvention of the law?

[Jezek] These properties were to be transferred to small privatization and were not to be transformed into property of the city. The municipal authorities circumvented the intention of the legislature. They are conducting themselves in a downright objectionable manner and are deserving of sharp public criticism.

[Vlckova] Let us return to the law on small privatization. What else will its amendment impact?

[Jezek] We are preparing one intention. Communities are finding themselves facing heavy budgetary problems. They are resisting the privatization of small operating units because they profit from them, which is part of their budget. In other words, we are proposing an amendment according to which we could compensate the communities for part of the revenues which escape them. We can still understand them and believe them that their resistance is not based on matters of principle, but is the result of budgetary problems. However, as soon as the amendment of the law is approved, any further resistance on their part can have no reason other than being speculative.

Foreign Ministry Official Views European Security

LD2806134291 Budapest MTI in English 0949 GMT
27 Jun 91

[Text] Budapest, June 27 (MTI)—Thursday's NEP-SZAVA carries an interview with Istvan Kormendy, senior official from the Hungarian Ministry of Foreign Affairs, with regard to the question whether European security is being jeopardized by the instability of the eastern part of the continent.

"I do not agree with the view that this is an explosive region. The internal transformation process under way in the particular countries in our neighbourhood is accompanied by frequent tensions and conflicts. The process is particularly painful, marked by signs of instability, in the event of states with a federal structure.

"Inter-state relations are devoid of general tension or irreconcilable differences which could eventually lead to an armed conflict. As far as the ethnic groups are concerned, the possibility of local clashes cannot be ruled out for the time being.

"The fact that the international environment encourages settled and non-violent forms of transition is often disregarded. The policy of Western countries and European organizations has a great restrictive power. Western sympathy and support are indispensable to transformation."

With regard to the role of the Conference of Security and Cooperation in Europe in the management of possible conflicts, Istvan Kormendy points out:

"Confidence-building measures have already been adopted, according to which member states are obliged to account for any unusual military activity. The urgency mechanism might become operative at the emergence of incidents threatening the peace, security or stability of the continent. Should a member country fail to receive adequate information on the country (or countries) concerned, or if the information is insufficient to clarify the conflict situation, the initiating state can ask for the committee composed of the member countries, political directors to be convened. The sole important element that is still missing from the crisis-management mechanism is the peace-keeping force, but, according to the logic of the CSCE process, this will also be set up at a later stage."

Although the right of peoples to national self-determination is not a new idea, now that two Yugoslav republics have declared their independence, the international community has taken a stand for a single Yugoslavia. On this score, Istvan Kormendy says:

"One should always start from the concrete case. The issue is not that other states or groups of states want to impose a solution on a people in violation of their right to self-determination. Exercise of this right should not go against the interests of others. The aim for the historic

transformation processes is to take place without conflicts via negotiations in the region and in the particular countries."

Kupa Program Attacked as 'Reform-Communist'

91CH0662A Budapest KAPU in Hungarian No. 5,
May 91 pp 22-23

[Article by Sandor Ferenczi: "The Sacred Cow and the Milk Cow; End Game in the Economy; The Kupa Program"]

[Text] The program of Mihaly Kupa, the senior cabinet member in charge of economics, was widely heralded well in advance and, like all the other programs of this government up to now, has been awaited with keen interest. Like the other programs, however, it too falls short of expectations. And by now, we believe, it is obvious that there is nothing to expect of it.

No one should be misled by the fact that the program will soon be elevated to the rank of a state religion. Of course, those who are expecting reassuring nice words and illusions will be getting what they want. And those to whom "economic program" means "political tool," a dead letter written for the benefit of the people, will be satisfied with the program.

But there is nothing to expect anymore. This program is not new; it is no different from the preceding ones. The program itself emphasizes that intellectually it is a continuation of the Program of National Renewal; although it must be admitted that it at least uses economic terms, rather than the terminology of folk art or musicology, to discuss economic issues. But today that is no longer enough. This program would have been acceptable a year ago, when the government was installed, just as the Program of National Renewal would have been acceptable perhaps in the summer of 1989, as an election platform.

This program is basically a reform-communist program, where the emphasis is on reform and not on communist. That attribute is not a political classification, just a label identifying the school of thought, the intellectual trend. This is a regime's cautious reform, rather than the economic program of a change of regimes. If it gains official status, Hungary's young democracy will gradually relapse into reform-communism's world of cherished illusions, hesitation and half-solutions.

Kupa wants to cautiously dismantle the state-socialist, redistributive, bureaucratic, centralist system from above, risk-free, without turmoil or serious social conflicts. He believes that this is feasible, that in its present state the Hungarian economy—and, in a wider sense, Hungarian society—of today can be consolidated, made capable of functioning, and transformed gradually into a market economy. In the sense of this program, all this must be solved by a strong state apparatus, through its hierarchic, centralized organizations. But that is a self-contradiction, a self-frustrating program; or, to use

Marxist terminology, the retention of bureaucratic coordination by abolishing it. To implement privatization, for instance, why is it necessary to create a State Property Agency, a hydrocephalous organization that calls Kafkaesque horrors to mind? Why can't privatization be entrusted instead to the legitimately elected local governments? Why does the government incessantly demonstrate, as a reflex, that it does not trust the people and the representative bodies elected by them, only its own apparatus, the state's collective wisdom?

Bureaucratic centralism cannot be dismantled from above, by its own methods. The less so, the more state guarantees one attempts to build into the process. By now we have also practical experience to confirm this. Perhaps we should try the exact opposite as well, a radical transformation, a change of regimes. The program's government-issue optimism actually masks a defeatistic, deterministic approach. We are on a forced trajectory, with limited opportunity for action and decisionmaking. In this set of ideas the alternative of risking a radical change—of mobilizing our forces, broadening our opportunities, and taking control of our own destiny—does not even arise.

Economics is not an exact science, unlike physics or the technical sciences. Here much depends on political, social and psychological factors, on the attitude with which individuals, the economy's players, approach the processes. There is no greater force than when individuals want to prosper and improve their lot. Opportunity and the necessary institutions ought to be provided for such routine, spontaneous organization from below. This program is not on speaking terms with the people. It is a sad state of affairs when a government does not believe in the democracy that has helped to bring it to power.

The processes will not go over into slow improvement in one or two years hence. Either a sudden, radical change is made here and now; or the situation will continue to deteriorate, forcing us to start eventually from an ever-worse position.

The program does not center around the key issues: privatization, private enterprise, decentralization of income, and the management of indebtedness.

A market economy will not arise merely from our decision to introduce one, from encouraging by means of regulations the players' market behavior, and from simulating the market. It will arise by creating players in the market on a mass scale, private owners who will shape a market for themselves through their natural behavior. Here again the emphasis is on creating capitalists and including them in the market all at once, on a mass scale. In an economy where the proportion of state ownership is close to 90 percent, this proportion must be reduced abruptly to at least 60 percent for the market economy to start to function. Otherwise the slow, protracted privatization and market simulation will perpetuate a socialist market economy that theoretically is unmanageable with

the conceptual tools at our disposal, and in practice evades all attempts to control it. If we recognize that placing the market in operation is a longer-term interest of higher priority than achieving a balanced budget by means of collecting more revenue, then demand could be generated for privatization, and we would not have to be so afraid of selling off and squandering the enterprises (which, incidentally, could be kept in hand readily with the tools of taxation). Then it would also be possible to support purchases and buy-outs of state-owned business assets with the help of various credit schemes, a miserable caricature of which was the Livelihood Fund that had been devised as an election gimmick, but was then relegated to the dustbin, together with its promoter. And it would be unnecessary to drag out once again the gnawed bone of employee stock ownership. Only by providing opportunity for broad new strata can the dominance of monopolies be broken, the abuse of already acquired and salvaged privileges be suppressed, and the trend of rising prices and accelerating inflation be prevented. The psychological and sociopolitical effects of providing such opportunity would likewise not be negligible.

It would be at least equally important to support and develop by every possible means the already existing and functioning private capital, private ownership, and private businesses. Naturally, because of the past 40 years, private enterprise is weak, requiring special care and unconditional support. What it ought to be getting is absolute preference, rather than equal opportunity. Instead of granting them equality with the state enterprises, private businesses ought to be made competitive against international capital. But the trouble is that the government is unable to distinguish between a sacred cow and a milk cow.

Growth is impossible at the present rate of taxation, of the centralization of income (64 percent of GDP). Today the reduction of this proportion to between 55 and 57 percent in four years, according to Mr. Kupa and assuming that everything goes well, is no longer a prospect, a program. Especially not if the reduction is to be achieved merely by reducing subsidies, rather than by reviewing the state budget's entire structure and by eliminating waste and inefficiency. By the time that occurs, all the present private businesses will have gone bankrupt. Stagnation in the given case would mean regression, because most of these businesses should now be in the stage of rapid growth and capital formation.

Instead of deregulation, capital's primary needs at present are exposure to market forces, an infrastructure, credit, and a banking and payments system. But if we are considering deregulation, it is better to have a bad system of regulation (because it is at least predictable) than to keep changing the regulations. For instance, giving someone a tax break one year because he has a foreign partner; and the next year, because he does not have one. And if Kupa's idea of deregulation starts with extending wage regulation to private enterprises, the

ones with annual payrolls of less than 20 million forints, then how can one believe a single word thereafter?

Capital needs security of ownership. Which means encouraging capital formation, savings and investment, instead of threatening to impose property taxes, forcing wasteful consumption, and penalizing investment three-fold: with a tax, by not allowing the recovery of the value-added tax, and with a substantial customs duty in the case of imported modern technology. Businesses need an efficiently functioning banking system and payments discipline. Furthermore, that foreign loans for the development of businesses do not end up in the state budget's bottomless belly, or are not used to prolong the agony of the loss-making mammoths, but are channeled to where they are able to generate profit.

What we also need above all is confidence between the state budget and the entrepreneur, between the state and

the citizen, to jointly curb the uncontrollable processes and the underground economy. But there is not a word about this in the program.

Furthermore, there is not a word about the fact that, without some new mode of handling the problem of indebtedness, any program today is merely an illusion or just eyewash. We cannot expect a turnaround and recovery in the case of continual net withdrawal of resources from the economy, nor even the maintenance of equilibrium at an ever-lower level. This is already something that not only can be, but also must be, discussed.

If the government apparently settles down for an unimaginative end game whose sole purpose is to prolong the game, and to let the people believe as long as possible that it will end in a draw, then there is truly nothing to expect of ever newer programs.

Negotiations, Importance of EC Integration

91EP0547A Warsaw GAZETA BANKOWA in Polish
No 22, 2-8 Jun 91 pp 1, 6

[Interview with Jacek Sarysz-Wolski, government plenipotentiary for European integration and foreign assistance, by Witold Gadomski; place and date not given: "Negotiations, Declarations, and Facts"]

[Text] [Gadomski] How will the Polish road to the EEC look?

[Sarysz-Wolski] The process of association with the EEC would take eight to ten years. An introductory period would take a year; a five-year period of adaptation; then a final period. The first issues [raised] dealt with a free trade zone and a tariff union. Now it looks as if our approach to the EEC will lead to the creation of a free trade zone. The creation of a tariff union would only be possible later. We do not discuss this topic at all in negotiations.

[Gadomski] Does this mean that Poland's full membership in the EEC does not come up at all?

[Sarysz-Wolski] The question of Poland's full membership in the EEC was for a long time not allowed by the Community negotiators. Only recently, thanks to political actions, was it possible to receive assurances that a statement that Poland, like Hungary and Czechoslovakia, aspires to full membership will be included in the preamble of the association agreement. The EEC will decide if we have matured to the acquisition of full rights. The fact that the EEC has retreated from the condition of evaluating our transformations halfway through the transition period is a change in our favor.

[Gadomski] What does association with the EEC mean?

[Sarysz-Wolski] A free trade zone—the immediate goal of association—is to be created on the basis of the customs tariffs, which will be in force at the time that the convention takes effect. We assume that this could be 1 January 1992, but that date is far from certain. From that time, the process of liberalizing trade transactions, which will affect two areas, will commence. Under the so-called general regimes, or industrial products, we could achieve the elimination of quantitative restrictions as early as the moment the agreement takes effect. The second area, the so-called specific regimes, is much more difficult, and very important for us. It deals with steel, coal, textile, and agricultural products—that is, about 50 percent of our exports to the EEC. The solutions proposed for the general regimes are satisfactory to us; those for the specific regimes are not. They propose, as concerns steel products, a gradual elimination of customs tariffs over five years; and for textile products, over ten years. The textile market in the EEC is strongly administered. Gradual liberalization of trade in this area would be connected with the progress of the Uruguay Round. That connection would also apply to a third area—that of agricultural products. The offers of the Community

negotiators are here the most undefined. We are promised a consolidation of what has already been granted under the GSP [Generalized System of Preferences] and the elimination of quantity restrictions. All other concessions could be negotiated during the life of the agreement on association and could apply to those products that have particular economic significance for Poland. This is a very imprecise formula, and it also contains an additional clause: "under the condition of reciprocity from our side."

[Gadomski] What price do we pay for association with the EEC?

[Sarysz-Wolski] This question brings us to the consequences for Poland of adaptation. This is the heart of the problem. The formula of association offered to us by the Community signifies the selective subjugation to market regulations of part of our transactions, leaving the other half of our transactions to administrative interventions. We are offered liberalization where we cannot effectively compete, while those areas where we would be capable are closed to us. This is an asymmetry that is opposite to that which the European countries pledged to us. Poland, as is known, has a very liberal import system and a low external tariff. This is an element of the wider economic policy conducted by the government. It clashes with the protectionist policy conducted by the EEC. This brings the danger of disturbances in the labor market, will exert pressure on the balance of payments, and will reduce the benefits from the process of integration. But that is only one aspect of the matter. If certain markets remain relatively closed to us, this will strike at our liberal import policy, and force us to actions contrary to the opening [of our market], which is necessary for the demonopolization of the economy, stabilization of prices, and the protection of consumers. As a result, we will be forced to protect certain areas excessively—for example, the agricultural market. We have already had a foretaste of this in the form of the raising of tariffs on agricultural products.

[Gadomski] How did the EEC react to that move?

[Sarysz-Wolski] Formally, we know of no reaction, but it is clear that it does not work to our advantage. At the moment, we are net exporters of food to the EEC, and we can lose a lot with excessive protectionism. All restrictive actions hurt Polish farmers. We can not afford to respond to the Community's protectionism with the introduction of analogous solutions. We do not want such solutions as part of our system, and we are simply not sufficiently rich. The agricultural policy conducted by the EEC is unusually costly; only wealthy countries can allow themselves to use it. If we are in some way forced to use excessive, harmful protection of the internal market, it will cause a kind of chain: a rise in prices, an inflationary effect, lowering in effectivity, a negative budgetary effect, and the breakdown of equilibrium; all in all, this would threaten reform, with international consequences. We would not be able to keep the obligations which we assumed toward the IMF through

the list of intention, and that risks a withdrawal of the promise of further debt reduction and a loss of credibility on the credit market.

[Gadomski] What causes the hard stance of the EEC? From all sides we hear assurances of support for Poland and for the changes taking place in Eastern Europe.

[Sarysz-Wolski] We constantly encounter the gap between political declarations and the actual position at the technocratic level. On the one hand, there is a political opening; on the other, when we get down to hard facts—for example, how many frozen strawberries we may export to the EEC—we bump our heads against a wall. This is the result of several things, above all that the Community mechanism defends its own interests very well. They are the best negotiators in the world, with several decades of experience in various kinds of negotiation behind them. It is also the result of pressure from various interest groups.

[Gadomski] Can we really threaten such a power as the EEC with our arthritic economy?

[Sarysz-Wolski] According to various estimates, our share in the EEC market is around two percent, and thus not very great—and we bring this argument up in negotiations. We are, however, a threat for certain industries and regions—Portugal, for example. The articulation of narrow sectoral interests is unusually strong in the EEC. The complicated mechanism of pressures on Community institutions works excellently. Agriculture, the most disputed area, shows how a small part of the population, in terms of percentage, can, through reinforcement of its political voice, decide EEC policy. We are not the first to fall victims to this. The drama of our confrontation with the Community is that a small threat, such as we pose, causes sharp reactions. The Community is under heavy fire from much more powerful countries than Poland—among them the United States. Its policy is also criticized from within, for ineffective allocation of resources, for waste and corruption. It will probably undergo a slow dismantling, but this will take many years, and for us, a liberal trade system is needed right now.

[Gadomski] Do we have another option besides association, despite all the hindrances from the EEC?

[Sarysz-Wolski] We are naturally condemned to the European market. Our trade is clearly moving west, and the EEC is the nearest region. We try to present to the Community negotiators a wider line of argument, going beyond a narrow mercantile point of view. We propose that they look upon what they can offer us not as a special kind of concessions for countries in need, but as an investment in the future development of the Community. If one can believe the econometric simulations, then the effects of association will be positive for the EEC. This can already be seen in the example of the FRG, where there is an economic boom brought about by the demand effect that occurred after the absorption of the GDR. The opening of the remaining countries of

the region will have a similar effect. Simulations run by the French show that the opening will add 1.4 percent to the GDP of the EEC by 1993, and as much as 3.45 percent for Germany. If the future confirms the assumptions of this model, then the advantages for the Community of widening the market will be greater than any kind of assistance for us.

[Gadomski] Can we count on being able to negotiate, when the agreement is already enacted, better conditions for integration than when we began?

[Sarysz-Wolski] Political questions are the weightiest line of argument that we can lay on the table during negotiations. Our economic potential is much less significant. I am afraid that political arguments lose their significance after the conclusion of the opening agreement, and we will thus find ourselves in a still weaker negotiating position. Many things carry weight for us at this point; we stand before a “to be or not to be” situation, in terms of our [political] system. Concessions which come after five or ten years might be too late.

[Gadomski] Can we count on support from EEC structural funds?

[Sarysz-Wolski] We do not expect excessive generosity at the outset, but we would like for the same way of thinking as during the last expansion of the EEC to be applied to us. If certain costs are incurred by our side as a result of the opening of our market, then we would expect that they be taken into consideration in an overall accounting. For the moment, however, the EEC negotiators do not want to take up this topic. If the three East European countries associating with the EEC were treated like undeveloped regions in Western Europe, then their needs calculated in this way would be on the order of fourteen billion ECU yearly as net transfers, and five billion ECU of loans from the European Investment Bank. Of course, we do not count on such considerable assistance, but it should be more than is now being offered to us.

[Gadomski] It looks as if we have encountered greater resistance in negotiations than we could have expected. What course of action does the Polish side intend to take in this case?

[Sarysz-Wolski] We have three options. The first is to accept the conditions offered to us now—which are satisfactory politically and which give us very little economically—and to shift the thrust of further negotiations to the institutions of association that will be created; in the second, we would define a certain minimal threshold that would satisfy us, and adopt the technique of marathon negotiating, imposing no deadline; and the third is a question mark: a long period of reflection by both sides on what really lies in the long-term interests of both partners.

Future of Farming Development Analyzed

91EP0543A Warsaw RZECZPOSPOLITA (ECONOMY AND LAW supplement) in Polish 13 May 91 p III

[Article by Halina Flis-Kuczynska: "Basic Directions for Rural Areas"]

[Text] Farmers are demanding that the government develop an agricultural policy. The government is presenting an outline for the near future covering economic operations related to agriculture.

Today's economic conditions reveal that the ruin of the weaker-than-average farms in the Polish countryside has been permitted, even if not intentionally, and there are many hundred thousand such farms. These include most of the farms run by single women or by single elderly individuals. Of necessity they are able to produce only simple, basic crops like grain and potatoes. They cannot raise livestock on a large scale or raise labor-intensive crops. But these farms exist, they provide their owners with a living, and they contribute some surplus that can be sold. Once these farms are eliminated, the burden of supporting these people would fall on the government's social budget. It does not seem possible for the budget to handle this burden today. Thus, agriculture cannot bear the costs of the situation today beyond a certain point, and some sort of prospects should be outlined.

A Few Concrete Details

About 80 percent of agriculture is in private hands, including cooperative farms which today are voluntary. Private agriculture has endured two attempts at nationalization: collectivization in the 1950's and the institution of the PGR's [state farms] in the 1970's. The agrarian structure has declined at three points: as the result of the agricultural reform after the war, later during collectivization, and finally during the institution of the PGR's. It is only since 1980 that farms have been allowed to develop freely, but since that time the area they represent has shown a slow but steady increase. This fact proves that there is a natural healthy tendency to create strong farms, and this trend should be gently supported. This approach seems sufficient for now.

The farms in the northeastern, northern, and southwestern voivodships average about 10 hectares in size, and a family farm of 40 hectares is a rarity. In the region of the central voivodships, farms average five to seven hectares in size. In the south and southeast, formerly Galicia, the average "poor man's farm" consists of three hectares. In order to survive, a farmer needs a head on his shoulders in the best of times, to say nothing of today or the times unemployment, which affects peasant-workers in particular. The scale of social problems is therefore different in each of these three agricultural regions. The extent of adaptation to the difficulties of living off the land and to the need to seek additional earnings also varies from one region to another. In the area of small and medium-sized farms, there are many

farmers that have found crops that though labor intensive are more profitable. There are also farms whose owners have always supplemented their income with wages earned off the farm. Now that the towns are rejecting them, these farmers suddenly need a way to make a living.

There does not seem to be any sense of urgency over solving the problem of structural agricultural reform anywhere, either among our own farmers or in Western Europe, where only 10 percent of common funds have been allocated to the restructuring of agriculture, despite the fact that there has been a common agricultural policy for many years. Maintaining rural income has always been considered the most urgent and important. Our farmers are demanding the same thing today.

The most urgent task is to sell farm products at decent prices. Not even a well-run farm can endure costly production and unfavorable wholesale buying prices for long. A farm is a normal enterprise. It pays taxes, has to buy raw materials—the raw materials of farm production are machinery, fertilizer, and fuel—and feed the owner's family, and it must also set some funds aside for future investments. It is subject to adversity resulting from bad weather, livestock diseases, or illness in the family that works it. It can bear losses up to a certain extent. Then the farmer must stop production, sell the land, and move to the city. The only thing is that it is not possible to move to the city now, because there is no work in the cities, and the proceeds from selling a hectare of land will not buy a square meter of housing space.

Rural life has become sort of a trap, and this is one of the reasons for the farmers' determination. They are well aware that they must live off the land, because they have nowhere else to go.

The Future—Creating Markets

Since everyone knows that only individual persons can leave the countryside today, they also know that this rural countryside will be just the same as it is today, with about the same number of people and about the same amount of land.

But agricultural production need not necessarily be the same. There may be more of the basic crops, like grain, potatoes, beets, and oil plants, or less of them. There may be larger holdings of livestock or smaller ones, more milk, wool, and meat or less. Finally, there may be more fruits and vegetables and more of the various labor-intensive crops, like plantings of seed plants or medicinal herbs, or less of them. It depends on the government's agricultural policy and on the system of market research for the various products.

Our geographic location is very convenient for trade, because we have a borders with the European Community on one side and the Soviet Union on the other. It would be a very convenient place even today, if Poland had had a farm surplus, say, for the past 10 years, and had built up its own markets for selling its commodities.

Our grain and meat surpluses appeared two years ago, when the European Community was involved in a major way with its own farm surpluses and the costs of fitting two rather poor agricultural countries, Spain and Portugal, into its economy. At such times, it is extremely difficult to shift trade boundaries, but we exploited the possibilities for places on the European Community's agricultural markets that could use the surpluses we had had for years. They needed oil plants. We are selling rape seed there, several hundred thousand tons of it. They needed calves and lambs. We are selling them calves and lambs, and we are taking up three-quarters of the entire quota on imports of these items coming from outside the European Community. The same is true of berries.

The European Community has a surplus of production of grain, meat, butter, powdered milk, wine, and tobacco. We do not sell these goods there, except that some Polish companies are attempting to do so on the sly and at dumping prices. We can look further for commercial opportunities and strengthen our own position in those areas we have captured. Having two completely different markets on either side of us, the saturated market of the European Community and the bare Soviet market, we can assume that, for the next decade, with energetic effort on the part of our commercial agents and government negotiators, we will have the opportunity to sell the West our agricultural "delicatessen" items, that is, lambs, calves, berries, oilseed plants, vegetables, and mushrooms. To the eastern markets we can sell the basics, products like grain, meat, field vegetables, and apples. This means that our overproduction of fresh food need not be checked.

It need not. But might it not be cheaper to slow production by giving bonuses for letting the poorest fields lie fallow? Might the conscious assumption that our grain production will not increase beyond a certain ceiling not facilitate our trade negotiations and talks with the European Community concerning membership? No farmer can know this. Only a minister who develops relationships during the course of international negotiations is in a position to make appropriate inquiries, do the various calculations, or learn the views of outstanding experts.

Western Markets

Talks concerning Poland's affiliation with the EEC are in process. The round of talks on the conditions of affiliation ended in a sort of stalemate. No agreement was reached on any points regarding trade in food or textiles. The next round begins in June, but this does not mean a break in the talks. The EEC is just defending itself. Turkey has been standing at its gates for many years, Austria and Sweden are waiting to become members, and the Hungarians, Czechs, and Slovaks are trying to become affiliated too. They are all ahead of us. Our work on affiliation and thus also on achieving the first benefits will be difficult and take a long time. In addition, each vacillation on the [part of the] Common Market, each wave of farmer protests, ricochets against countries like us. The quotas imposed on beef imports was the latest

such move. No agriculture minister from a country in the European Community is going to risk his position in trade deliberations or support requests to make life easier for us, because his own farmers are watching his every move, and they expect him to defend their interests rather than some sort of ideal for the unification of Europe or for helping a small country in the East. So the deliberations have to continue, because in the long run we have no road open to us other than affiliation with the European Community and membership at a later time. This is not going to give us much today, but after some 10 years of effort to adapt, there is the chance that we will be able avail ourselves of the privileges of participating in the European Community's food market.

We will not enter it as a country with wide open borders for food trade, because we would be a chink in the wall defending the Community's agriculture. It is a good thing that the farmers forced the government [to introduce a tariff] and that the government developed a tariff on food imports that is similar to the European tariffs. For a few years now we have ceased to be a food importing country. We are a net exporter of food, and we must protect our interests. It is too bad that the tariff is also levied on dairy products that on our market are unhealthful and inedible, but the competitive pressure from abroad will not cease. It will only weaken. Maybe in the end it will force the farmers to be concerned about cleanliness in their barns and to employ decent technological regimes. The tariff system may facilitate the talks on affiliation. For the moment, it remains for us to do market research, to work on trade quotas for the commodities of which we have surpluses, and to continue to specialize in those areas in which the European Community's agriculture is not self-sufficient. For example, there has recently been talk there about the great need to expand cultivation of flax for oil, by four or five times. We can establish such plantations this very spring and satisfy part of that demand, while providing our farmers with income. We can, if we make an agreement now with the European Community, when it is early enough, in the spring, for example, tell our farmers about such possibilities.

Eastern Markets

This is a tremendous market, for today. Annual purchases of grain alone amount to about 38 million tons. Any quantity of fruits and vegetables could be sold there. Could be, if alongside the shortage of food there were money to buy it. Efforts concerning the Eastern market are difficult, because our eastern neighbor has no money, but with last year's grain surplus and our meat surplus today, our Ministry of Foreign Economic Cooperation managed to set up a long list of raw materials to be delivered.

This is promising for the future and in early spring could encourage farmers to sow a good many hectares of land. It could, but it did not, because nobody knows whether similar agreements can be made for this year's harvests,

and nobody can give the farmers any sort of indication. And the farmers again are unable to predict what chances they will have trading with the East. Only a group of specialists negotiating and the Ministry of Foreign Economic Cooperation, along with the Ministry of Agriculture, can do this. Only a group of specialists can propose that, as a form of aid, international societies buy our healthful food for the regions near Chernobyl. This would be double assistance, because it would help our farmers too.

The Most Important Market, the Domestic Market

Whatever one may say about food exports, it is the fringe of the market. It does not exceed 10 percent of the food produced. Rural income is determined by the 90 percent that is eaten or fed to livestock here in Poland.

The price paid to the farmer represents from one-tenth to one-half of the price that the bread eater pays at retail. The difference in price consists of the wholesale price, shipping, processing, and storage, operations that provide funds along the way for business and processing to make their living.

Does the countryside have no way to take part of the money related to food? Must the rural areas be only producers of the raw material (milk, grain, potatoes, and fruits and vegetables), instead of producers of cheese, butter, flour, meal, fruit and vegetable products, and wine? Must the farmers be pushed back and shoved out of the supply, wholesaling, vegetable processing, and dairy cooperatives they have paid into for years and on whose behalf they continue to labor?

The farmers lost last year's elections to the councils supervising the cooperatives. Or, to put it another way, they did not participate in the elections. They are accused of having allowed the old chairmen and nomenclatura councils to be elected. They allowed it to happen, because this time the elections were done quickly, without any real campaigns telling people what the elections were about. There are practically no newspapers in rural areas, and of the few papers in existence, not many bothered with the election issue, so the rural areas slept through the elections. But it was not the rural areas that decided when the elections would be held or that so little information would be provided. At fault here, on the one hand, was somebody's lack of understanding of the situation in the rural areas and, on the other hand, somebody's clear self-interest to see that the cooperatives remained in the same hands as before.

It will not be easy to make up for what happened, but unless we make another attempt to give the cooperatives back to their members, the farmers, we cannot talk about any sort of vision of a future for the rural areas or about any sort of government agricultural program. For the rural areas to get by until better times come, to endure under very modest conditions but not in dire poverty, some of the income must be taken from trade and food processing. This trade and processing consist of the cooperative movement and the new private companies.

We cannot say that a farm policy exists, until we create a program for the renewal of the cooperative movement and the credit system for rural food processing enterprises.

In the long run, with its food surpluses Polish agriculture can and should export more than it does today, but it takes time to develop markets.

Over the next few years, three, five, 10 years, the rural standard of living will depend on the domestic food market and on the role farmers play in the stream of money that all consumers must pay for that food.

Enterprise Restructuring Case Studies Presented

90EP0537A Poznan WPROST in Polish No 18,
5 May 91 pp 25-27

[Article by Wieslaw Kot including comments by five WPROST correspondents on enterprise privatization efforts: "The Shock of Work"]

[Excerpt] [passage omitted]

"The Paris Commune Shipyards: For Your Faults and Ours"

Will the work force survive it? Janusz Sniadek, the Solidarity chairman, does not want to be Cassandra, but this question haunts his dreams at night. The Pomorski Bank has rejected a line of credit for the Gdynia Paris Commune Shipyard. The Commune [shipyard] has reached the edge of bankruptcy.

Resolution No. 31/86 of the government presidium guaranteed the shipyard a subsidy for the contract prices of ships to ensure the return of the costs of their construction and a 20-percent profit. The agreement was sick just like the rest of our economy; the therapy used by the Mazowiecki government proved to be extremely painful for the shipyard. In May 1990, the Council of Ministers "annulled the object subsidies for ships built and contracted under the regulations of resolution No. 31/86 of the government presidium." In principle, it was correct. Only the resolution is an ex post facto law. Henryk Ogryczak, the general director, judges that it has caused losses of 1.5 billion zlotys.

The shipyard is also paying a high price for the government's protectionist policy toward the zloty, as are all the enterprises operating chiefly on international markets. And for the monopoly position of the Centromor Foreign Trade Agency.

"They signed contracts and agreed to very low prices," says director Ogryczak.

Through the office window, he sees the smokestack of a ship that the shipyard is selling for \$25 million; the ship owner, however, has already sold it for \$43 million.

The enterprise has a scandal of a truly higher quality to its credit. Last year the then incumbent management of

the factory for all practical purposes nearly gave the factory away for free by forming a partnership with the Norwegian firm Kvaerner. The contract was not signed, but during the negotiations, at the request of the Norwegians, the shipyard did not sign any contracts. A two-year gap developed, which only now has been assiduously filled. The prosecutor, occupied with pursuing pornography, has no time to investigate this matter.

The work force was promised a golden mountain and a 50-percent increase in pay after the agreement with Kvaerner; meanwhile, the specter of bankruptcy looked into its eyes and the tax on excessive wage increases started gurgling at it. In order to reduce the tax, the shipyard transformed itself into a stock company of the state treasury.

Western banks are inclined to provide the shipyard with financing—on the desk is an agreement with the Americans, who want to provide \$50 million, because the shipyard is among the five most modern ones of its kind in Europe and the market is currently experiencing a boom.

Chairman Sniadek wonders how long the director, who took over the position last November in part due to the support of Solidarity, will last. They talk frankly with one another, but with the awareness that their interest is joint: survival. How long will the work force hold up? Today, the 6,500 employees, once the most highly paid in the Tri-City area, earn 1.7 million zlotys. Specialists with sought-after skills like welders and hull assemblers are already leaving.

—by Krzysztof Grabowski

"SHL: Perhaps Manna From America"

Each person who visits the SHL factory in Kielce is greeted by a huge sign announcing that the factory was awarded the Order of the Standard of Labor. The order is of the second class, but the work force will not scratch out a better one because the award is no longer given.

Nostalgia for the past would be quite in place here. Today, not SHL motorcycles, but the financial debts of the factory are racing down the roads. Lately the debt has passed 60 billion zlotys. The figures for what other firms owe the factory in Kielce are also moving up. The balance of credits and debts is about zero.

In March, the factory also came out even financially. There are no sales—a common thing today. SHL also produces the popular police vans and water cannons. Today the police are poor and order little, especially since the militia took care that no shortage of this equipment developed. The military is also ordering little, but the true cause of the collapse is the catastrophe in the Polish automotive industry and the "depression" in agriculture. If Zeran, Starachowice, Tarpan, and Ursus come to a halt, immediately there are no sales for the products from Kielce. Cooperative agreements with these firms predominate at SHL.

The Soviet market has also closed to us. To be sure, the USSR, as Minister Ledworowski reported recently, has admitted its error in moving too rapidly and without exception to settlement in dollars with the former countries of the socialist camp, but—for now—the Soviet ministers are paying the consequences and nothing has changed. The recent wave of strikes has also cooled the interest of partners from the West. The English suspended talks that were well advanced and promised to return when the situation becomes normal. Only time will tell whether they will keep their word.

For now the managers are laying off workers. Of the 2,500 members of the work force, about 500 to 1,000 must be laid off. That will allow the firm to survive in poverty for the next few months. And at that quite literally: the average wage will not exceed 1.2 million zlotys.

The situation is terrible and will not get better soon unless a miracle happens. The miracle is named David Chase, a 62-year-old American billionaire and largest foreign investor in Poland, who has earmarked \$900 million for the development of cable television in Poland (WPROST No. 14/91). The businessman, born in Kielce, who lived the first six years of his life here, visited the city a few weeks ago. He looked, sighed, dreamed, and promised this and that. SHL is counting on the American's sentiment.

—by Krzysztof Krubski

"Nysa: It Will Not Go"

At the Small Truck Factory in Nysa, three-quarters of the 2,000 employees were given unpaid vacations when the decision to halt production was made at the end of March. Difficulties with sales left more than 1,000 small trucks standing in front of the plant.

The financial condition of the enterprise is very bad, as is shown by the fact that all the banks have refused loans.

The situation of the factory worsened after it increased the prices for its products by about \$1,000. The Greeks and Spanish withdrew from previously concluded contracts. The Soviet Union ordered 4,000 vans, but that partner has no money, and it is not known in what form it will pay for the vans received.

—by Tomasz Zimny

"Unitra: Labor Holiday Without Work"

After all the storage space was filled with finished products valued at 110 billion zlotys, the decision was made to halt production—for now until the end of April—at the Dior plant in Dzierzoniow and at the plants in Swidnica, Jawor, Nowa Ruda, and Lewin Brzeski.

Of the 5,500 members of the work force, 90 percent were given a month of unpaid leave; only the sales office is in operation, and it is trying to get rid of the finished

equipment at all costs. In March, the factory was still "in the black"; in April there was a further collapse in sales of finished products.

For now, group layoffs are not expected, but the decision has already been made to liquidate the factory in Jawor and to make the current subsidiaries independent.

The increasing competition from imported electronic equipment, which is better, more modern, and frequently cheaper, has caused other factories in this business to experience similar troubles and difficulties, and they have had clear declines in sales since the beginning of the year. The situation at the Elta Radio Factories, Inc., is bad. The banks have refused further loans to the Unitra Rzeszow Radio Factories, and the work force has been reduced. In turn, the Unitra Tape Recorder Production Plant in Lubartow has been placed in bankruptcy, and the entire work force, ironically, will receive pink slips on 1 May.

—by Maciej Luczak

"The Warsaw Steelworks: Under Martial Law"

"Payments into the budget are holy; the bank itself takes what it is owed from the account; people must be paid; and little money for business among enterprises remains," says Stanislaw Krol, economic director of the Warsaw Steelworks.

The factory receives barely 30 percent of the amounts due for goods sold. In 1990, things still rolled along their beaten paths; in the middle of February 1991, someone "turned off the faucet." The buyers are not paying the steelworks, and it owes its suppliers. Ursus owes about 40 billion zlotys, the Compact Car Factory owes 25 billion zlotys, and Cegielski owes money, as does the recently privatized Tonsil plant in Wrzesnia.

"Given normal sales revenue, I would have 180 billion zlotys in the account," says director Krol. The steelworks are owed more than it owes, and so the bank judges that the enterprise has not yet lost its creditworthiness.

That is little consolation because the loans and interest are ruining the steelworks. The nominal level of the loans has been maintained, but their real value has fallen. The director thinks that they are limited, and the bank is acting as a central distributor. Because it has the safe position of a monopolist, it is dictating terms.

The domestic buyers of the Warsaw Steelworks are not only not paying, but they are also buying much less. Demand has been strangled; the domestic market is collapsing. For the last six months, the steelworks have not been exporting to the Soviet Union because it has no guarantee of being paid. The Soviet partners pay only about 20 percent; the rest must be obtained from the central budget. At the Warsaw Steelworks, they prefer not to take a risk; it is necessary to wait until the neighbors make the ruble convertible.

Unfortunately, sales to the West are also unprofitable: the dollar is too low. The real value of the American currency has fallen by 60 percent, and some goods are exported below the cost of production. Only more highly processed goods earn a profit because the cost of human labor is still lower in Poland than west of the Odra.

"We have martial law at the enterprise," says Stanislaw Krol. "But that is a normal symptom in an abnormal economy. In addition to the difficulties with which nearly everyone is struggling, we inherited the decline from the previous period—vast unproductive assets, which bring colossal losses."

Director Krol compares the Warsaw Steelworks to the state of our economy: the recession last year was temporary, but everything indicates that it is changing into a chronic depression. "We are still holding on, but...."

—by Agnieszka Sowa

[Box, p 27]

- At Tonsil in Wrzesnia, they are worried with the decline in orders for domestic products, and exports are increasingly unprofitable; world prices are stagnant; the costs of domestic raw materials are increasing; the real value of the dollar is declining. Forced vacations for the work force and then a reduction are only a question of time.
- Since 18 March 1991, the assembly line at the Stara-chowice Star Truck Factory has stood idle. The warehouses and parking lots are filled with new trucks, and the work force has been given a forced vacation. A 30-percent reduction in employment is expected.
- At Chelmek, the warehouses are full of boots. The work force has already had a forced two-week vacation in February; another is expected in May.
- All of the industry working to meet the needs of agriculture is going bankrupt. Tractors and combines are not selling. Sales of sowers, trailers, manure spreaders, and diggers have almost come to a halt. That is the situation, at, among other places, the Harvest Machinery Factory in Plock and at the Agromet factories in Kutno, Dobre Miasto, and Strzelce Opolskie.
- At Ursus itself, the work force was sent on a forced three-week paid vacation in March. Layoffs of 4,000 individuals are planned, including 2,000 at the factory in Ursus. The agony has been extended; they succeeded in finding a partner who bought 2,500 tractors.
- Two months after privatization, the Krosno Glass Works found itself in a difficult situation. A reduction in wages and in employment of 1,200 to 1,500 individuals (out of 6,700 employees) is planned.

Opinions Polled on Church's Place in Society

91EP0551A Warsaw GAZETA WYBORCZA in Polish
29-30 May 91 pp 14-15

[Article by Piotr Pacewicz and Dariusz Kowalski: "What Divides Us in Opinions on the Church: CBOS Survey Conducted at GAZETA's Request"]

[Text] Half of those surveyed believe that the [Catholic] Church's authority has increased as compared to the Polish communist period. At the same time, slightly more than half feel that "the church's participation in public life is currently excessive, too much," while two-thirds of those surveyed are in favor of a constitutional provision on the separation of church and state—these are the results of a CBOS [Public Opinion Research Center] survey conducted on 11 and 12 May at the request of GAZETA (nationwide sample—1,000 people), whose main subject was the permissibility of abortion, evaluation of the Senate's antiabortion bill, and attitudes about contraception.

In Domoskop's survey for RZECZPOSPOLITA, conducted on those same dates, similar results were obtained: 60 percent of those surveyed believed that the church currently has too much influence on "socially important decisions dealing with areas other than faith and religion," 30 percent believed this influence is appropriate, and four percent said it was too low.

The somewhat lower favorable response to the church's participation in RZECZPOSPOLITA's survey than in ours can be explained by the more suggestive form of the question [posed] by RZECZPOSPOLITA (we simply asked about "participation in public life").

These two polls confirm previous results and sociologists' observations: People perceive an increase in the church's influence on public life, but half of the public or slightly more do not accept this and very few support it.

What Kind of Authority?

The changes in the church's authority in comparison to the communist period are seen differently by people with less education (the response "increased" clearly prevails) and people with more education (the same number feel it has increased as those who feel it has decreased).

Similar differences appeared between rural and urban residents. Admittedly, in both groups the opinion that the church's authority has increased prevailed, but more distinctly in rural areas (almost three times) than in the cities (1.5 times).

It is not unlikely that the two groups surveyed also differed in their understanding of the word "authority." One might presume that for less educated people, authority is associated with influence or power, and for the more educated, it is associated with prestige or moral value. Thus, the more educated respondents, who perceive an increase in the church's influence, often felt that the church has also lost authority.

Church Is Unduly Present

In all surveyed groups, the opinion prevailed that the church's participation in public life is excessive, while barely two to three percent of those surveyed felt it should be greater than it is currently.

Again, rural residents expressed a more positive attitude toward the church's participation than did city residents, but between them, attitudes about the church's excessive participation differed minimally.

The differences between less and more educated people were more pronounced. Among those with better education 68 percent felt the church's participation to be excessive, one-third of that number felt it to be appropriate. Among the less educated the percentages were identical—43 percent for each response.

On the question of separation of church and state, the differences between groups with different educational levels, or between city and country, were less. One could say, therefore, that agreement on this constitutional provision divides Poles to a lesser degree.

Catholics and Three Percent

Are you—we asked in the survey—a believer:

- Roman Catholic—96.1 percent.
- Another religion—1.8 percent.
- I do not believe in God (I am an atheist)—1.3 percent.

Separating—for comparisons with believers—the group of nonbelievers proved impossible, because 96 percent of those surveyed described themselves as Roman Catholic. So we adopted the criterion of religious practice often used by sociologists, grouping together those who attend church weekly (or at least they say so) and those who do so more rarely.

How often—we asked—do you go to Holy Mass?

- Every week—58 percent.
- A few times a month—20 percent.
- Several times a year—15 percent.
- Only on holidays—six percent.

Religion and Abortion

Some 37 percent of regularly practicing and half that number—18 percent—of irregularly practicing respondents would vote for the Senate antiabortion bill. Against—36 percent and 57 percent respectively. (We asked: "If you were a delegate, how would you vote?")

In favor of punishment for abortion were 38 percent of those practicing regularly and 16 percent practicing irregularly.

The differences were similar between the more religious (first result) and less religious (second) when we asked about allowing abortion in specific situations:

- When the mother's life is in danger—88 percent and 94 percent.
- When the mother's health is in danger—77 percent and 91 percent.
- If the child were to be born handicapped—63 percent and 73 percent.
- When the pregnancy is the result of a crime—67 percent and 81 percent.

- When the woman is in a difficult material situation—37 percent and 62 percent.
- If the woman obtains certification by a special commission—48 percent and 65 percent.

The idea of a referendum on the question of abortion, rejected by the Episcopate, was supported by 68 percent of those practicing regularly and 86 percent of those practicing irregularly.

Religious Feeling and the Church

An increase in the church's authority, as compared to communist times, was noted by 54 percent of the more religious and 47 percent of the less religious; in favor of a constitutional provision on church and state separation were 61 and 76 percent respectively; excessive church participation in public life was noted by 40 percent and 50 percent.

The dispute over abortion has divided the public. One might expect that other issues from the fringes of religion, morality, and customs will divide us just as sharply (contraception, divorce, and marriage). To better understand these conflicts, it is necessary to study the lines of division.

As in many previous surveys, less educated and more educated people and rural and urban residents were very divided. This is in keeping with a truism in the sociology of religion: education and "urbanity" diminish the influence of tradition.

In Poland, however, this effect has appeared with extraordinary force. Why?

In research conducted in postcommunist Poland, it happens regularly that less educated people and rural residents, as compared to the people in the cities (especially large ones), exhibit a lower understanding and acceptance of changes occurring in the country. For example, differences in assessing the Balcerowicz program are enormous, as is the case in seeing opportunities for the future (one's own and Poland's).

So one could say that for people who are poorly educated (peasants and workers), although they are not necessarily worse off materially, things are more difficult: They are subject to more frustration, and they are more lost and disoriented. Naturally, this provokes political results first, then protests, nostalgia for the social safety of the

communist era, electoral support for those who promise radical changes in policy, and so forth.

But the difficulties these groups experience may also mean that they look particularly intensively for support in authority; hence, the stronger approval for the church as an institution of public life—especially since this authority is increasingly requiring clear, primary prohibitions and rules, and is calling for sanctions, including legal ones. Difficulties, uncertainty, and menace cause susceptibility to such authoritarian holdings to grow.

The survey also showed that religious feeling affects attitudes in a significant way. But, one might conclude, this is a specific effect.

Those who practice more intensively, and thus—as the sociology of religion holds—those who believe more strongly, supported a legal ban on and penalties for abortion. But when it came down to specifics, the differences diminished, especially if the mother's life or health were in danger. Probably the "specific effect," about which we wrote in No. 112 of GAZETA, occurred here: In imagining a real, complicated situation, the respondent discarded general principles and attempted to reconcile contradictory psychological and moral arguments.

It is interesting that in assessing the church's public role, the differences between stronger and weaker believers were much less. This means that even those whose faith disposes them toward accepting the church's position (e.g., on the issue of abortion) are not necessarily happy with its growing public role.

This is an optimistic result: the division based on convictions is socially less destructive than the division based on attitudes toward institutions, because it is harder to organize into "opposing armies." It is characteristic that almost no one supported increased church participation in public life, and here there were no differences between groups.

The aversion to church intervention in public affairs, even among those who support the church's moral positions, indicates that alongside moral principles, some democratic standard prohibiting the imposition of one's own opinion is working intensely. Therefore, one could speculate that in Poland, street demonstrations are and will continue to be more likely than, for instance, destruction of gynecological clinics in the United States by opponents of abortion.

Parliamentary Minutes Record Verbal Clashes

*91CH0804A Bucharest ROMANIAI MAGYAR SZO
in Hungarian 1-2 Jun 91 p 7*

["Excerpts" of minutes of 21 May parliamentary session moderated by Martián Dan, speaker of the Assembly of Deputies; deputies not further identified: "The House of Representatives Debated the Veterans' Law: The Authentic Story of The Walkout of the Democratic Association of Hungarians in Romania; Excerpts From the Parliamentary Record"]

[Text] [Dan] (...) Considering the fact that the legislative proposal pertains to disabled veterans and war veterans, it is obvious that it affects persons who fought in the Romanian Army, i.e., persons whose names can be found in the records of the military recruiting centers and of the National Association of War Veterans. The law will operate on this basis, benefits and supplements provided for by the law will be paid on this basis....)

Mr. Baranyi's proposal actually amounts to a specific and accurately defined reference to those who fought in various armies, but who are Romanian citizens.

As a result of this Mr. Rus proposed a text to be included in a new section with the following content (I will read it slowly so to enable you to understand its content and meaning): "Within six months the cabinet, acting through the Ministry of Defense and the Foreign Ministry, shall prepare a legislative proposal providing for the status and rights of war veterans in a uniform manner."

It is obvious, that there is a need to study this issue.

Accordingly, this is the text Mr. Rus proposes on behalf of the Ministry of Defense. It is supported by the National Association of War Veterans.

Mr. Baranyi suggests a supplement in the form of a second paragraph. He changes the first part of the section (even though from the standpoint of content and intent it corresponds with what I just read) and designates, renders in specific terms the method by which the problem raised during debate on the previous occasion should be resolved. Accordingly, the text is as follows: "Within six months the cabinet shall prepare a legislative proposal which settles the status and rights of war veterans in a uniform manner. The Foreign Ministry, the Ministry of Defense, the Ministry of Labor Affairs and Public Welfare, and the Ministry of Economic Affairs and Finance shall examine reciprocal international agreements consummated with the states involved, and shall propose solutions for the settlement of the situation of Romanian citizens who fought in other armies."

This text was prepared in the course of discussions in the labor affairs, health care, etc. committees and with other participants.

Accordingly, we must choose between the two solutions, between the two proposals which were submitted. (...)

[Mircea Cretu] Ladies and Gentlemen!

I would like us to add the following supplementary wording to the text proposed by the general: "Citizens who fought against the Romanian state shall constitute an exception from under the provisions of this law." Thank you.

[Dan] They are excepted from under the provisions of the law now in force. At least this is how the law should be interpreted. I request Mr. Rus to state the position of the Ministry of Defense regarding this issue, because the records of the military, of the recruitment centers and of the National Association only contain the names of veterans who fought as part of the Romanian Army. Nevertheless I am requesting you to provide the necessary information, so that it becomes part of the record and in order to dispel any doubt. But first let Mr. Nagy speak.

[Benedek Nagy] Forgive me for a moment. As Mr. Gabrielescu said, our soldiers got as far as the Caucasus between the summer of 1941 and the summer of 1944. They were allies, they fought side by side at the Don River bend, did they not? They did! They were allies! More than 1.3 million people fought in the army just mentioned—in Horthy's army—in the Northern part of Transylvania, i.e. several generations of the 1.3 million Romanians who live there, according to official Romanian statistics.

I propose that we draw the line at the moment when Romania, having left the war, came into armed conflict with Horthy's Hungary, i.e., on 22 August 1944, because until then the two countries were allies and fought against communism which we got rid of not too long ago. Isn't this so? Thank you.

[Dan] Lieutenant General.

[Iosif Rus] From our standpoint, from the standpoint of the Ministry of Defense the issue cannot be limited to a determination of whether they qualify as war veterans, because they de facto fought in World War II and therefore they are veterans.

As I understand the matter they are now seeking a de jure recognition of that status, as a result of which they would acquire all the rights provided to veterans by existing law.

A normal solution requires that we distinguish between the Romanian population of the returned part of Transylvania and its Hungarian nationality Romanian citizens (if we refer to this case), because in Horthy's army these two groups were not treated as equals. The Romanians were persecuted, they picked on them and sent them to the front line, they summoned them to perform labor, and after 23 August masses of Romanians deserted Honved units and labor brigades, thus expressing a feeling that they were not willing to fight the Romanian army! Accordingly, this matter has two aspects.

Romanian army archives contain no records whatsoever concerning the residents of the country's Northwestern part for the period when they belonged to Horthy's army, insofar as their active military duty, call ups, fighting or participation at the front were concerned.

Consequently, a Transylvania resident intending to acquire such an evidentiary document would have to appear in person to prove that he fought under the Romanian flag, within the Romanian army.

One must also consider the fact that part of the Hungarian nationality Romanian citizens from the Northwestern part of Transylvania—and this too is an aspect—which served in the army, the gendarmerie, and in Horthy's secret organizations on the side of Hitler's troops, did so within Romanian territory against the Romanian Army, attempting to sustain the Vienna Dictate by armed force.

Another fact: some of these people intentionally committed or enabled carnage, atrocities, plundering and violence against the Romanian inhabitants in the temporarily transferred territory, moreover, they committed such acts even after 23 August 1944.

Relative to this matter several organs of the Ministry of Defense hold the view that Hungarian nationality Romanian citizens who in this situation fought against the Romanian state must not be entitled to the rights to be voted on by the House of Representatives. (....)

[Aurelian Dochia] A situation involving an artificially created issue evolved, one we should not even have paid attention to. Aside from the fact that no legal solution to this matter can be found, the issue has already been resolved in practice, and I would mention, or I would tell you, in case you do not know, that there are Romanian citizens who for many years have received pensions from various states in whose armies they fought. From Germany, for example; some fellow Romanians of ours receive pensions from there, and there are no obstacles to this matter. Also from France. The matter has already been resolved, there is no need to artificially create a problem at the present moment. From a legal standpoint no opportunity exists to reach agreements which establish such bilateral reciprocity. The moment a state recognizes its duty to pay to its veterans it should do so, and that's it!

[Dan] Mr. Catalin Iamandi has the floor.

[Catalin Iamandi] Mr. President! Ladies and Gentlemen! I ask you to recall the fact that Romanian nationality legionnaires also fought against the Romanian army as volunteers. Raising this issue exclusively on the basis of nationality—Hungarian or Romanian—is artificial in my view.

Accordingly, logic suggests that we make payments only to those who at all times fought on the side of the homeland, irrespective of their nationality. Thank you!

[Dan] Representative Borbely has the floor. Mr. Borbely, go ahead!

[Laszlo Borbely] Mr. President! Ladies and Gentlemen! On behalf of the Democratic Association of Hungarians in Romania [RMDSZ] parliamentary faction I reject the attempt to once again establish the collective guilt of a community purely on the basis of its nationality. If debate continues in this spirit, this parliamentary faction will leave the chamber because we cannot ... (murmur in the chamber) we cannot go on in this spirit. Thank you!

[Dan] Please ... Please ...! Mr. Baci Severin is next, he has the floor. I ask you, Gentlemen, please. The floor is yours!

[Severin Baci] Mr. President! Ladies and Gentlemen! I would like to say a few words

[Dan] Gentlemen! Please, let us preserve our calm. This is also one aspect, and the one who said it is responsible for that statement, and I ask you to abstain from suggestions that you leave the chamber, and so on. We all enjoy an equal status, we were elected by voters under general suffrage. Let us mutually respect each other!

[Severin Baci] I am reporting to you an event which may help you draw conclusions concerning some of the parliamentary representatives.

Last fall we received a British delegation headed by Lord Newell. Well, Mr. Quintus, Mr. Ciontea can attest to this, once the conversation drifted to the subject of this badge [as published] at the dinner hosted by Mr. Quintus, the gentleman who spoke before me, Mr. Borbely explained to the lord what that badge actually was, and thereafter Mr. Borbely's conversation with the lord's wife continued. At a given point in time even though he wanted to, he was unable to express himself in the English language because he did not know the words, and therefore he asked for an interpreter. What do you think he said? "Tell the lady that once upon a time we were in the majority and that we enjoyed autonomy, the Romanians became a majority two or three centuries ago, and this is how the unification took place on 1 December 1918." Well, if this is the way he thinks as a representative in parliament, and exerts propaganda in our presence, what do you think he does out there, and should we wonder that Eger still exists and that other similar situations present themselves [as published]?

And now, although it is not beneficial to follow the example set by certain representatives in parliament: They read out loud a letter yesterday; I also received a letter, and I request your indulgence to briefly read aloud this letter: "I am Air Force Major Marinescu Jean George, a second-degree disabled war veteran, shot down and wounded at Zsibo [Romanian name unknown] on 16 October 1944, i.e., in the battles to liberate the last piece of Romanian land from under Horthy's occupation. I reside in Rimnicul Vilcea, No. 12 Maraesti Street. I was deeply outraged by the impertinence and shamelessness manifested by Comrade Geza

Domokos on the eight o'clock television news on the 16th of this month. I was virtually unable to sleep all night, this is the extent to which the conduct of this former member of the Romanian Communist Party Central Committee aroused me by making me recall the wartime memories." I will now omit a few questions and I will say only this much: He is talking about Ordogkut and Mozesfalva [Romanian names unknown]. "In one of the sorties we were accompanied by 8th air squadron fighter airplanes which were assigned to defend us, our mission was bombardment. Lieutenant Secicar, one of the fighter airplane pilots was hit by a bullet and fell captive to Horthy's army. And what do you think they did to him? Once our troops occupied the place they uncovered the heinous deed of the pro-Horthy forces: They skinned alive air force Lieutenant Secicar, and they did the same to other prisoners of war who were killed earlier and were already buried. And then, how do they dare, or more accurately, how do you, the representatives permit the granting of aid to those who shot at me and who tortured Secicar to death?" (Thereafter the representative announced that the author concluded his letter with a proposal and requested that his proposal be presented to the House of Representatives. The proposal amounted to a rhyming curse of those who came to like the aliens.)

This is the pure truth, Gentlemen, may you be the judges!

[Dan] Mr. Erno Borbely is seeking the floor, let us hear him, thereafter we will return to the proposed amendment.

[Erno Borbely] Mr. President! Ladies and Gentlemen! At this time I will raise a peculiar question. I request my colleague Bela Incze to stand. Bela, please! I am seated next to him. When my colleague Laszlo Borbely said that we might leave the parliament, three voices could be heard to my right, i.e., from the side where the Front is seated: "Leave the country, not parliament!" The entire parliament should be ashamed! At this point we will indeed walk out of the parliament!

[Dan] Well! I will state that this is not the way things should be, and I ask you to preserve your Mr. Borbely, and Representatives belonging to the RMDSZ parliamentary faction, I request you to have some patience and not to regard the opinions of one or another representative seated near you as the view of the Romanian Parliament. I ask you to act in a considered manner, manifest some responsibility! Do not extend an individual, isolated opinion expressed by one or two of your fellow representatives seated nearby to the entire Parliament. I do not believe that this is appropriate.

[Ferenc Baranyi] My name is Dr. Ferenc Baranyi. I am a Romanian citizen of the Hungarian nationality, I feel very sad under such circumstances, I am unable to coexist with extremist statements that come from both the right and from the left. Why don't you want to understand, please that we all live in a common house.

You, Romanians have more rooms, we, ethnic Hungarians have fewer rooms, the rest of the nationalities have one room each. We have only one common kitchen and a single bathroom. We must mutually tolerate each other's odor. You should understand that the country will not make progress if we constantly fight and quarrel.

Are you aware of the position taken by Hungarians in Romania? They say that whatever is good for Romania is also good for Hungarians of Romania. But what you are doing now is not good for Romania!

[Dumitru Maresi] Don't shout, Sir!

[Ferenc Baranyi] I shout because I am sad. The blood of seven nationalities circulates in me!

Review your conduct! I beg of you, if you wish to coexist with us! Yes, exist together! Is the sequence important? I beg your pardon! We want to coexist with you. It appears to me that you do not wish to coexist with us.

I request Vice President Salagean, the vice chairman of the labor affairs and health care committee to take my place and continue the work. I am leaving.

[Dan] Please! Mrs. Agatha Nicolau has the floor, because I trust that by virtue of her feminine instinct and particular vocation she may say a few words which will relax the tension somewhat.

[Mrs. Agatha Nicolau] Ladies and Gentlemen! For a few days now we have been tormenting ourselves to permit this committee headed by Mr. Baranyi and none other to create an act with the understanding of all the components which serve as a foundation for making this law viable today, under today's conditions, in our times—and then with a certain degree of lack of maturity, with a somewhat infantile approach, and with much passion we divert attention from the main issue. And the main issue is a singular issue: We must cast our votes regarding a law which the people deserve to have—is this so hard to understand?—and to allow six months to pass, as that was proposed, for a fully effective law to be placed before us, one that does justice to everyone.

We are grownup men and women, we are not children so as to pick up our toys and leave this place, to which all hopes are pinned [illegible words] the Romanian Parliament is not a playground. It is a place for maturity and wisdom.

I apologize on behalf of those who made offenses from either the left or the right side. Mr. Baranyi is indeed correct. It is of no importance who must live with whom, who comes first and who is second. Indeed, we have lived here for centuries. We want to continue to live here for thousands of years. Let us respect ourselves, and let us grant this law to those who deserve it, a law in a form which was very well perceived by the committee, and to which representatives of the Cabinet so aptly related, and raised the amount. And in six months we will find a better law. No one is perfect, and we have time for perfection. We will not resolve the ethnic problems of

war veterans today. I request you from the depth of my heart to keep our heads in their proper places, to be staid, and not to sidetrack the issues!

[Dan] Mr. Anton Nicolau wishes to say a few words.

[Anton Nicolau] Thus far I have worked within the Transylvania Commission on an issue which would reopen, but at the same time also heal the wound which gapes wide open among the residents of a country. True, it has been determined that the way things evolved may be blamed to a greater extent to one side and to a smaller extent to the other, nevertheless I feel that people must coexist. It is difficult to tell 1 million people "Move away from us!" (...)

What would be the cure? To return to tolerance and to conditions of coexistence. I believe that the intelligentsia could play a great role in smoothing out conflicts. In the final analysis, people are the assets of the country, and all those who live in a given country are the assets of that country. And they suffer not only in a physical sense, they suffer much more in a spiritual and moral sense. A person cannot be happy in his house as long as he is surrounded with bitterness. Romanians were a magnanimous people. Despite our minority status we were all able to educate ourselves, to become members of the intelligentsia and to achieve high positions.

The following thought occurred while listening to today's debate: Should the children of mixed marriages stay with the mother or with the father? Of essence is that you be a good patriot, irrespective of your ethnic origin.

[Dan] I propose the following: At this point let us end the debate, and I ask the leaders of parliamentary groups, members of the Permanent Office of the House of Representatives, the initiator and the Committee requested to step forward to discuss the problem that arose. We will recess for 30 minutes.

After Recess

[Dan] Ladies and Gentlemen! Please be seated so as to enable us to continue with our deliberations....

I suggest that we continue with our deliberations. The recess lasted longer than usual, but the reasons for this are known.

Accordingly, as I announced prior to recess, I invited the leaders of parliamentary groups to discuss with members of the Permanent Office of the House of Representatives, with the the person who initiated the subject legislative proposal and with members of the Permanent Office of the Committee that was requested to act to examine the incident that presented itself as a result of which members of the RMDSZ parliamentary faction walked out from, and left the deliberations of the House of Representatives.

It was a rather thorough discussion, representatives of virtually every parliamentary group expressed their views, just as those who were invited to attend the

session. We jointly concluded that it was part of the nature of things that in the spirit of democracy and cooperation which should characterize the atmosphere in the House of Representatives we expressed our disapproval of the positions voiced by two or three representatives. These positions were stated following Representative Laszlo Borbely's remarks in which, among other matters, Mr. Borbely said that it was impermissible to condemn a national minority in the framework of debating a legislative proposal, to attribute collective responsibility to a national minority for complex historical facts and actions that took place in the past, and that the parliamentary group he represented would feel justified to leave the deliberations of the House of Representatives if such accusations continued. This statement of his was followed by responses which, as I said, we condemn, notably: "Let them go to Hungary." In my view, under no circumstances should we permit such replies in the chamber under the dome of the parliament.

The parliamentary faction of the RMDSZ represents Romanian citizens, the citizens of this country. The parliamentary group expressed loyalty to Romania at Gyulafehérvár [Alba Julia] on the occasion of Romania's national holiday as well as on other occasion. It is self-evident that they regard Romania as their homeland.

They declared full loyalty to the Romanian state and offered their preparedness to help in advancing the solidification of Romania's democratic foundations in the aftermath of the December 1989 revolution.

Consequently, those who vested them with a representative mandate are citizens of this country. Their mandates carry an equal weight as those of any other representative. For this reason the method by which one or another representative is installed as a member of the House of Representatives must be treated with the full sense of responsibility that flows from this equality.

Accordingly, we regret the utterances of two or three of our colleagues which in no way commit either the parliamentary factions to which they belong, or the Parliament as a whole. These were personal opinions and personal responses, and since we were dealing with this kind of position I would note that all of us must choose every gesture and every action with great circumspection and a sense of responsibility. Parliamentary representatives are politicians. When a parliamentary representative speaks he commits himself, but he must consider the fact that as a result of the mandate he received from his electors he has become a public personality and that a great responsibility has been bestowed upon him. For this reason a representative must demonstrate good judgment and an analytical aptitude, and must manifest a conduct consistent with democratic political and citizen responsibilities which we all must recognize.

Therefore—I will repeat once again—we condemn these responses, declare them null and to be contrary to the principle of parliament and to the spirit of those who cooperate.

Second, we regret and disapprove that part of Mr. Erno Borbely's remarks in which he reported the reactions of the representatives involved in this matter to Mr. Laszlo Borbely's remarks, concluding his remarks by making an impermissible reprimand to Parliament as a whole, by saying: "You should be ashamed of yourselves!" In our view in no form would it be permissible to apply the regrettable positions expressed by one or two parliamentary representatives to the behavior, position and conduct of Parliament, of the House of Representatives as a whole, because that is not at issue.

For this reason we also condemn the rejoinder and call upon every member of the House of Representatives to manifest considered conduct imbued by a sense of responsibility, and not to permit themselves to be carried away by emotionally charged reactions. We should proceed so that all of us may work jointly in the spirit of cooperation on the various legislative proposals so that we may exercise our mandate with mutual respect for each other.

I do not believe that I need to emphasize much the responsibility that weighs down our shoulders, irrespective of which parliamentary faction we belong to or join. Let us endeavor not to deteriorate the atmosphere in which the Romanian House of Representatives cooperates and works.

RMDSZ President Evaluates May Congress

*91CH0639A Bucharest ROMANIAI MAGYAR SZO
in Hungarian 30 May 91 pp 1, 3*

[Interview with Geza Domokos, president of the Democratic Association of Hungarians in Romania, RMDSZ, by Gabor Cseke en route from Marosvasarhely to Bucharest on 27 May: "Before We Land; Conversation With RMDSZ President Geza Domokos on the Return Trip From the Congress"—first paragraph is ROMANIAI MAGYAR SZO introduction]

[Text] We are surrounded by overwhelming airplane noise, we are seated above the engine, nevertheless we understand each other. We are aboard a flight from Marosvasarhely to Bucharest on 27 May. It is 0930 hours. Below us we see a contiguous cloud cover and we are talking about the future.

[Cseke] What is your view of the next few months?

[Domokos] We will be establishing new secretariats, offices or bureaus—we still have to find the right designations for these. And I am very much looking forward to the first board meeting where the 11 members of the Democratic Association of Hungarians in Romania [RMDSZ] leadership will meet.

[Cseke] Introduce them briefly to our readers, please.

[Domokos] Everybody knows Geza Szocs, we have been working together for more than a year now. Gabor Kolumban is a member of the technical intelligentsia, he

took part in developing the RMDSZ business programs and plans. As the social organizing vice president he directs activities pertaining to schools and education and to social issues. I am happy about Dr. Jozsef Csapo. Not only is he a rather well versed expert in the economic and legal aspects of agriculture, he also had good training in the field of economic policy. Andras Beres has been vice chairman of the Association, accordingly, he is an old timer. I met Imre Borbely of Temesvar [Timisoara] not too long ago, he submitted to Congress a valuable thesis which described a new approach to minority theories and the protection of minority rights. Miklos Patrubby created the first Romanian personal computer. He is a systems engineer who took an active part in the public life of Kolozsvar [Cluj-Napoca] after December 1989; he will be responsible for organizing work. Tibor T. Toro comes from Temesvar. He is the chairman of MISZSZ [Alliance of Hungarian Youth Organizations]. He brings to the Association his dynamic approach and strong critical sense, and we also hope that he will contribute with his balanced state of mind which could be recognized recently. Tibor Beder is an excellent educator and organizer experienced in school affairs. He is a persevering, stubborn man filled with energy to make initiatives. Csaba Takacs represents the dispersion area, he is my fellow representative in parliament, a young man, full of energy and unheard of endurance. He stands for staid dialogue. I have been working with Gyorgy Tokay more or less for a year in parliament. He is a well prepared and experienced lawyer, capable of preparing analyses based on outstanding logic, and his good sense of humor will have a refreshing effect on all of us. Accordingly, the setup is new, four members of the old board remain: Geza Szocs, Andras Beres, Gabor Kolumban and myself. The majority is middle aged or young, and the professional spectrum is also interesting. I believe that these 11 people will work well together. I am impatiently waiting for the establishment of the national council of delegates. This will be a corporate body, its members will be delegated by the RMDSZ regional organizations and by parties, the MISZSZ and various professional and cultural-scientific associations, based on rules contained in the bylaws.

[Cseke] In a statement made at the Congress Bishop Laszlo Tokes encouraged the RMDSZ to make use of him in the interest of Hungarians in Romania. How do you intend to take advantage of this offer, considering the increased authority of the honorary chairman?

[Domokos] I talked to the Bishop after the election and he offered his full support. He would like to be present at board meetings as frequently as possible, and also at the quarterly meetings of the council of delegates. He is a great asset, because he is a balanced person who exerts a well known moderating effect, even though he professes to be a radical. In this new search for a balance he may provide good impulses to the advocates of both trends, to the moderates as well as to radicals. We are happy of course that he can represent the RMDSZ during his trips

abroad, he may act as our traveling ambassador with whom we reconcile our viewpoints and exchange our thoughts before his travels.

[Cseke] Contradictory information provided by the mass media concerning the Congress may confuse the public. What would be the most important lesson to be learned, so that the membership feels no bitterness and is not disillusioned with the Association?

[Domokos] Up to this moment I did not have time to listen to a single radio news broadcast, or read a press report, but I sadly experienced that from time to time, almost on a programmatic basis, they disinform our community even in our native tongue. Caution: I do not have you, my former journalist colleagues or Peter Mag's group in mind. Secondary or tenth rate issues come to the forefront, they often make unnecessarily big issues out of banal matters. They change the real dimensions of situations, options, manifestations, the language and personal styles. It is obvious that many things took place at the Congress which could be approached from several directions. Let us take the essence of debate between the moderates and the radicals. Anyone who has read the debate material one or two months prior to the Congress could have noticed the way certain issues accumulated. These signalled an upcoming confrontation at the Congress by all means. And tension appeared not only at the level of principles, but also in terms of tones of voice, and this produced a ripple effect which gradually reached society. These phenomena cautioned us and indicated that the Marosvasarhely Congress would not be a mere refreshing stroll. And that's what happened. At first the debate centered around the program and the bylaws, as a result of which beneficial supplements were added and needed corrections were made. In the course of debate over the bylaws it seemed for a moment that tensions would explode, but in the end the difference of opinion was resolved. Although certain parts whose interpretation may cause problems still remained in the text, it has become clear that we managed to develop a set of well structured bylaws. The meaning of the oft mentioned radicalism was a recurring question raised by journalists at the dawn press conference. They also wanted to know how that radicalism would manifest itself beyond the verbal representation. For the time being it would be indeed difficult to define this matter in the context of a specific political relationship. It is possible that the tenor of these principles, but even the language to be used will manifest itself only hereafter, but it is equally possible that they will change and will be blunted in practical politics when facing debating partners or opponents. I am convinced that if anyone agrees to do something of which he knows in advance that he is unable to perform, he will willingly or unwillingly resort to demagoguery. This is all right as long as such demagoguery remains at the moral level, but trouble starts when we announce a platform and make promises which are not only dropped on the way and cannot be fulfilled in the short term, but also have an immediate boomerang effect upon society. This is a boomerang which

hits in the head not only the one who threw it, but everyone in between. Its effect is distressing, discouraging and deteriorating. We must clearly tell the membership, the Hungarian community in Romania what we can do today and what we can do tomorrow, perhaps the day after tomorrow. We must tell them about the magnitude of risk factors, the consequences our decisions may draw, what we could gain and what we could lose. My experience thus far shows that viewpoints and practical perceptions can be equalized in this internal, critical analytical work. It is important that we stand on firm grounds insofar as principles are concerned and that we act courageously, but we must always stand on the ground of reality, and must always remain within the scope of realistic possibilities. It is not difficult to voice big words. It is a much more complicated and more manly choice to act in a manner so as to gain something, particularly in this disturbed situation which veils so many threats.

[Cseke] In a particularly tense moment of the Congress MISZSZ delegate Laszlo Zsigmond read a brief but substantive text which suggested that the leaders of RMDSZ, including you personally, as well as Geza Szocs and Laszlo Tokes try to yield some of your truth, because otherwise we may follow the wrong path. Subsequently no one made mention of this call. What was your understanding of this statement?

[Domokos] I must not have been in the auditorium at the time because I do not recall that statement. If this occurred the way you said it did, and if I understand this matter correctly, I am sympathetic to a call like this. I regard agreements, mutual concessions—among proper partners of course—as the engine of not only political actions but of all human action. I regret that a few remarks at the Congress associated compromise with retreat, cowardice and self surrender. This is unacceptable to me. How could I not be prepared to reconcile my views with two associates of mine whom I sincerely respect and like, how could I not try to reach an understanding with Laszlo Tokes and Geza Szocs, even if I must stand corrected, in the interest of our common cause, our good work? In other respects I am grateful to the numerous people who provided convincing, radical arguments, and also for being able to accept various methods of approach. This goes to prove that the RMDSZ is capable of staying in one piece, and that there is no danger of a rift. If for no other reason because from the first moment on the Association has been thinking in terms of autonomous local organizations and members—this is also part of the proclamation—and even more so, because at the end of December 1989 the organizations in the countryside emerged independently, virtually at the same time. Accordingly, our unity has been based on dissimilarity from the outset. The appearance of parties and other organizations made the picture even more colorful. It takes force to artificially tear apart something that in itself is so colorful and comes in this many forms and with this many peculiar features, and the only force that could divide the membership would

either be an ideology of a totalitarian character or an intolerable personal conflict. Or the perfidious, professionally prepared subversive work of outside forces which the organization would be unable to resist. I am convinced that none of these threats are real. The second congress of the RMDSZ has called attention to, and has mandated in the bylaws that the process by which the various tiers evolve must be followed from close up and openly, and the trends reflected in changes in the platform must be recognized. And as soon as people able to represent such tiers and changes emerge, quite naturally they must be given an opportunity to take part in decision-making. And we must not forget another matter: starting out from theories and adjusting reality to theories is risky. We already know what this means, in this region of Europe we have already experienced the devastating consequences of this kind of upside down action.

[Cseke] To what extent do the lessons learned from the Congress suggest the necessity that the RMDSZ not become isolated?

[Domokos] The threat of becoming bureaucratized may exist in any organization. We succeeded avoiding it thus far, if for none other but because we hardly have any staff. Cautioning about this does not hurt, however, because we are just about to develop our offices. Good member relations are very important. We just launched the RMDSZ forums. [The forums we held thus far] were informal meetings with the membership where strong critical debates and conversations took place. But we must find a way in which every person feels that he has an opportunity to do something useful or necessary in this organization each and every day or periodically. One cannot predict the action opportunities that may arise. It should suffice to take a glance at RMDSZ publications or at local or national press reports to recognize the resourcefulness people have in finding work for themselves if they want to, and wherever leaders are able to establish sensible, attractive goals and arouse the needed desire to act in order to achieve those goals. Unfortunately, this is not the case in every place. In the future we must keep our membership informed on a more continual and improved basis. In our reports we must indicate perhaps that let's say various views clashed in the course of decision-making at board meetings, and I would not rule out the possibility of publicizing alternate resolutions that were offered.

[Cseke] The appeal made by the Congress to Romanian society is a gesture of constructive character. How much hope could the RMDSZ pin to this appeal?

[Domokos] We regarded as important from the outset to actively participate in the effort to achieve democracy in Romania. The parliamentary [election] results also constitute a clear obligation in this respect. Our relations with the parties, primarily with the opposition within and outside of parliament are good. It is possible that not sufficiently accurate, one sided or distorted information concerning the resolutions brought by Congress, or about

our positions temporarily disturb the Romanian public. The response thus far is encouraging, but in some instances it is clearly positive.

'Pluralism' Said To Gain at RMDSZ Congress

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in Hungarian 28 May 91 pp 1, 3*

[Article by Barna Marosi: "Farewell to Unity"]

[Text] By the time this issue of our newspaper reaches the reader, he will have been informed by news reports about the changes that took place at the top level of the Democratic Association of Hungarians in Romania [RMDSZ]. Geza Domokos became national chairman once again, Laszlo Tokes was reelected to serve as honorary chairman. Geza Szocs became the political vice chairman and Gabor Kolumban the vice chairman for social affairs. An additional eight members of the national board were elected, there are many new names and a younger group of people serve as members of that body.

But what change occurred at the top of minority affairs? The Marosvasarhely [Tirgu Mures] congress made a substantial change in the main setup; relative positions of power changed somewhat.

1.

It is a well known fact that the world does not revolve around the RMDSZ and Marosvasarhely.

And yet, for three days international and East European attention focused on the RMDSZ and on Marosvasarhely. We have known ever since March 1990 that such attention was rather exhausting and burdensome. A number of news agencies, television [networks], editorial offices stationed their staffs on location, and a large team composed of 108 journalists was continuously present to the end in the congress' press center. For days, Suto, Domokos, Tokes and Geza Szocs stood before cameras and made statements on a virtually nonstop basis, photo reporters set themselves up within and in the vicinity of the congress, in the most uncomfortable and most critical moments 10-20 photographers surrounded and viewed our politicians, the faces of leaders awaiting the outcome of votes were lit up with 10-20 continuous flashes. I believe that from the standpoint of publicity we already have caught up with "medium-developed" congresses.

Even an outside observer must have taken note of the event. Police and security forces saw to that. A special police general secured the city, and as I understood the matter, even the director of the SRI [expansion not given], Virgil Magureanu was present in Marosvasarhely on this occasion. I am mentioning these things because in this instance the police conducted itself in a civilized manner to the end, it was visible that they protected the location and the event. It is not my business to figure out against whom this protection had to be guaranteed.

2.

During these three days the congress strained itself to work expediently. It was in session for 47 hours, in an open plenary session to the end, in the full view of television and the press. Only the drafting and technical groups, and on occasion the small groups instructed to reconcile matters or to reach agreements worked separately.

The fact that democracy was unbearable from close up has once again been revealed—but a better thing than democracy has yet to be invented. Perhaps it was Churchill who stated this bittersweet truth—it makes no difference, it is the truth. The congress' working hours were consumed by futile and nerve-wracking debates which showed a lack of practice. Simply amateurish debates were pursued about issues that could determine the fate of matters. One hundred ten delegates wanted to speak—this is the number of delegates who signed up—but only 104 took advantage of the opportunity to speak, six delegates withdrew. They debated the freedom of the platform for long hours—even though the freedom of the platform was a live reality, it became practice which functioned in an excellent, well greased manner, as the existence of two or three RMDSZ factions, platforms or programs attested to that. As the minority society continues to be stratified and as the middle class gains strength, there will be smallholders and small tradesmen, and we will have our industrialists, entrepreneurs and bankers. Interests will be increasingly projected to every region of political and social life. But it was unnecessary to improvise small doctrine, pedantic or dilettant presentations about all this, many just wasted time and made public appearances.

The most tense debates evolved around the self definition of a minority. Views clashed in these regards: whether the Hungarians of Transylvania were "a group of immigrants," whether they were a crowd of "guest workers," whether under the given conditions they could constitute an adjunct people or an adjunct nation, and in general, what this somersault in logic meant at a time when we knew very well that we were part of the Hungarian nation, a part of the universality of Hungarian people. Could we be a nation forming element at all in Romania? A self-definition must have as its starting point the fact that we Hungarians are indigenous people in Transylvania, and this factor should determine our situation and all our rights! The public has yet to hear and read a lot about the debate over the RMDSZ program and the organization's bylaws—the extremist press and the press supportive of the ruling party will be first to report these things.

3.

The congress hosted a special reception on Saturday night for visitors and invited guests. According to my

count 63 foreign guests and very many invited Hungarians and local people were present, and so was the entire congress, and the "annexed parts" [as published], as well as the media.

The atmosphere became heated when Romanian opposition representatives stepped to the microphones: Ionel Manucu, chairman of the Anti-Totalitarian Forum, Ilie Paunescu, the director of Epoca and the delegate of the National Christian and Democratic Peasant Party, and Radu Filipescu on behalf to the Social Dialogue Group, a reporter of the weekly newspaper "22." Filipescu happens to be a native of Marosvasarhely. [Linkages of names to capacities and position titles are unclear.] The ovation for Smaranda Enache—the unemployed politician, as she was introduced—and for Marius Ghilesant the delegate from the Temesvar [Timisoara] Society lasted for minutes.

I must admit that people had tears in their eyes when they heard from those who shared their fate, representatives of the Association of Hungarians of Lemberg [Lvov, Soviet Union], the Cultural-Social Association of Hungarians in Czechoslovakia [CSEMADOK], the Hungarian Democratic Community of the Voivodship, and of the Hungarian Cultural Association of the Lower Carpathian Region. They stated what the Hungarians of Transylvania, the RMDSZ and the struggle of the largest Hungarian minority meant to them, the force, encouragement and example they represented. The representative of the Swedish People's Party of Finland spoke in his native Swedish tongue and the audience listened to his words with envy!

Guests from Hungary, representatives of the cabinet and of various parties were greeted with festive joy. Writer [and member of the Hungarian parliament] Istvan Csurka also spoke following statements by Ministers without Portfolio Balazs Horvath and Ferenc Nagy. But Matyas Szuros, vice president of the Hungarian National Assembly was surrounded with the warmest respect and appreciation. In those days he was first to raise his voice in defense of Hungarians in Transylvania!

Representatives of Hungarian emigrations from three continents came to Marosvasarhely and several of them spoke in the course of the evening. Vienna lawyer Dr. Maria-Eva Barki used the occasion to deliver a well-rounded presentation. Her words had an educational value by all means, primarily because the audience was able to assess what we can actually expect from the West.

4.

Farewell to unity. Better said: At Marosvasarhely the minority coalition, let us call it the RMDSZ, said farewell to the old fashioned, monolithic unity, because that no longer existed anyway, it has come to an end, and something different, some entirely different and colorful pluralism and freedom of the platform has begun.

Three major trends may be detected within the Association. The center forces, i.e., those who intend to proceed by taking small steps on the path of reality, in the footsteps of Geza Domokos; the radicals—the followers of Geza Szocs; and a third force which by all means exists in the background: those who follow Maria-Eva Barki.

Under what circumstances was the final vote taken? After stormy clashes Geza Szocs, Geza Domokos and Laszlo Tokes were placed on the list of candidates for national chairman. Laszlo Tokes, who was not present, sent a message that he would withdraw, but later he explained that he would accept the title of honorary chairman provided that on certain occasions he could represent the Association abroad, and under the condition that the leadership, the RMDSZ would pursue appropriately radical practices.

Thereafter the first ballot providing a choice between Domokos and Szocs did not produce results because debate evolved around two missing votes while session chairman Gyorgy Tokay noted that "Undeniably the situation is comic, nevertheless please restrain yourselves!" Cameras recorded every step of the vote taking: of 243 valid votes 122 were cast for Geza Szocs, and 121 for Geza Domokos. Laszlo Tokes offered a compromise to the effect that the two should serve as co-chairmen. But the compromise did not materialize, an hour later a new round of balloting followed. The second vote count produced 256 votes of which four were invalid. Geza Szocs received 123 votes, while Geza Domokos had 129.

Accordingly, Geza Domokos was reelected as national chairman. Everyone recalled the appropriate comparison: In his time Konrad Adenauer was elected chancellor by a single vote providing the majority.

In further proceedings, after lengthy consultation with the MISZSZ [Association of Hungarian Youth Organizations] faction Geza Szocs accepted the post of political vice chairman. Incidentally, some significant radical personalities became part of the national leadership.

5.

No one should think that as a result of this the RMDSZ was torn into two pieces, or that it fell apart or became incapable of functioning. In particular, those who based their speculations on such events, and even threw in the name of the traitor editor-in-chief of IGAZ SZO in the course of their foolish and vulgar maneuvers should not raise their hopes.

Pluralism is the only passable way in a democracy, this is normal and self-evident. I could also say that on Sunday we took a big step in the direction of the West.

What has actually taken place in Marosvasarhely? A new team was set up at the helm of the RMDSZ, a younger team. Stormy parliamentary proceedings, the reality in the home country, Romanian public life will forge them into one in the weeks and months to come, they will

learn to interact, they will become more radical, more realistic, more conservative or more consistent—but by all means they will be Hungarians.

I beg the reader not to condemn me for this old fashioned hurra-optimism. These days in the congress were very difficult: This is how writers, poets, journalists, publishers, Reformed Church bishops, economists, agronomists, and electronic systems engineers become minority politicians. Not one of them received Western university-level education in the field of political science. But all completed their education in our Trianon school.

Controversy Over Eger Conference on Transylvania

Minority Paper's Condemnation

91CH0641A Bucharest ROMANIA I MAGYAR SZO
in Hungarian 11-12 May 91 pp 1, 7

[Article by Edgar Balogh under the rubric "Viewpoint":
"Clarifying the Concepts After Eger"]

[Text] We already feel the effect of the Transylvania Conference held in Eger [in Hungary]. It has turned into a scandal and a pretext for accusations at the Bucharest parliament. The Democratic Association of Hungarians in Romania [RMDSZ] which represents our nationality was forced to go on the defensive. We cannot tell what continues to boil deep down, at the threshold of the RMDSZ Congress II. to be held in Marosvasarhely [Tirgu Mures]. My lifelong experience obligates me to speak out on time regarding the game of misunderstandings, misinterpretations, exaggerations, and extremes which can easily deteriorate and become rough. I will limit my remarks to clarify two concepts at issue, although I will not be able to avoid personal references either.

What do the issues of Central Europe and of autonomy actually mean? Both of these issues have been raised. We must interpret these concepts even more so because they represent different things in our history, and any conscious or unintended misinterpretation of these may draw grave consequences affecting our public life.

A *Mitteleuropa* concept was raised at the beginning of World War I by Friedrich Naumann. He proclaimed an economic unity between France and Italy on the one hand, and the community of 14 states West of Russia on the other. The plan also evoked the interest of bourgeois radical politician Oszkar Jaszi who hoped to salvage the Austro-Hungarian Monarchy, and it was at that time that populist politician [poet] Endre Ady exclaimed in his fear of German colonial superiority that "Lajos Kossuth is still alive, and having learned from the West, I still like to turn toward Byzantium!" The military defeat we suffered put an end to the Naumann perception, but soon thereafter another Central-Europe concept emerged.

I was a student in Prague at the time. Proceeding in the footsteps of Kossuth and Ady, I and my young schoolmates turned against Hungarian imperial ambitions on the one hand, and the exclusive national statehood features of the Little Entente on the other. We began to advocate a certain kind of Danube confederacy. Somewhere, someone took note of this youthful assertion; unexpectedly we were invited to Pozsivanyka by a person unknown to us: Count Ferenc Hunyady. We went there. Our host received us by saying that he had just returned from his friends, Prince Rohan and Prince Stahremberg, with whom he developed a plan for a Bavarian, Austrian, Hungarian, Czech, Slovak, Croatian, Slovenian Central European bloc, and that they would be pleased to receive our support. In those days we went public with a Petofi wreath decorated with the colors of the Danube valley.... We rejected the idea and the Countess was shocked as a result. She tried to be nice to us by serving strawberries with rum. We supported our rejection by arguing in the spirit of Ady about the need for the East European emancipation of Slavs, Hungarians and Romanians, jointly. This put an end to the unusual meeting and we departed politely. World War II dispelled yet another dream about Central Europe.

Well, at this time, when fate presents us with the image of an ample European House which encompasses both East and West, some people once again advocate a narrowed down Central Europe concept. They do so by designating Brasso [Brasov, Romania] as the Eastern end of this historic formation. I do not know who, where and when stands behind this new plan, but I think that it is likely that we are dealing here only with the wise pronouncement of the [post 1848] Bach era's Mr. Kampos with whom we are familiar from a Jokai novel. At least this is the impression I get from the political discourse pursued at Eger by Pal Koteles, who deserves to have a better profession [than being a politician]. Yet another Hungarian illusion? The fact is that a sober resolution of the tense Romanian-Hungarian issue cannot tolerate a shrinkage of the all-European picture, even if examples from cultural history—let's say that medieval Gothic art reached this far or that far—produce an antiquated argument from the mass of recollections which conjure up the past.

The collapse of the East European dictatorships which distorted socialism will obviously return us to Europe, but to Europe as a whole, and not to a maimed part of it, and it will do so by terminating at one point Hungarian-Romanian coexistence [and replacing it with full equality]. The Central Europe concept advanced at Eger is not only an unwise provocation of the Vatra [Romaniasca]'s latent pogrom orientation. It also undermines a Europe which is prepared to neutralize the borders and to join the West and the East. By now, East Europe's long yearned-for emancipation, and its economic and cultural uplift may be expected to be realized only on the path of a unified Europe, and the resolution of the Transylvanian Hungarians' issue based on full equality may be

achieved only within that framework. This is why the struggle our nationality pursues in Romania must be streamlined with the construction of the European House.

Another concept that may be twisted this way and that way is the alarm concerning autonomy declared at Eger. This watchword is sacred because it demands a human right on a universal scale. But how and in what territory could the mostly dispersed Hungarians of Transylvania and Hungarians who live isolated in Szekely country enforce autonomous rights if we apply the concept of autonomy to territory? Romanians, the majority of Transylvanians, have already proclaimed for themselves autonomous rights in Gyulafehervar [Alba Julia] in the midst of rearrangements that took place in the aftermath of World War I. But the picture becomes more realistic if we apply the concept of autonomy to the autonomy of the Hungarian nationality, pursuant to the need to "gather ourselves," as that was proclaimed by Sandor Tavaszy: this concept is just and possible. It applies to schools, culture, self-organizing, the full use of our language, the freedom to associate and the fulfillment of our identity. Accordingly, when we speak of autonomy, that term does not mean in the framework of our realpolitik the autonomy of Transylvania—an idea that could only be advanced jointly with the Romanian majority. What we have in mind is securing the right to self-expression for Hungarians in Romania. Is it not odd that Nagyvarad [Oradea] Bishop Laszlo Tokes who was present in Eger had to explain to fully uninformed speakers who appeared from somewhere in the West that the majority in Transylvania was Romanian? And is it not odd that a more sober resolution proposed by Bela Pomogats, the vice chairman of the organizing association was rejected by the guests as a "compromise," and that instead they found a "more radical" formula which was inappropriate from the standpoint of the real needs? One cannot understand why the honorary citizen of Uzon, the presiding Gyorgy Beke simply kept quiet when the most sensitive issues were discussed.

Unfortunately, we already are familiar with Eva Maria Barki who comments from Vienna and in a manner akin to the Vatra urges irresponsible confrontation. But it is a bit too much when she sways an entire conference to her side. What goes on in her mind? Would we be satisfied with tents and blankets left over by the Kurds if we were to succeed in reviving a post-communist, neofascist pogrom situation as a result of some kind of provocation? In any event, it was reassuring that Bishop Laszlo Tokes rejected the loveless, that is, hateful tone of voice of Kolozsvar [Cluj-Napoca] lawyer Imre Kapcza who spoke in Eger on the basis of unknown authority. Tokes called attention to the fact that Christian tolerance was needed in order to settle the Romanian-Hungarian issue.... It was by all means regrettable that with respect to so significant a matter—important to Hungarians, Saxons, and Romanians—as the past, present, and future of Transylvania, the discussion took place among stray elements unfamiliar with Transylvania who judged

our issues with bias and lacked authoritativeness—among them an extreme rightwing individual who arrived from Germany intent on protecting the race. Instead, the discussion should have taken place among historians, economists, sociologists, experts representing the officialdom of the two states or by RMDSZ politicians who have been tested by now. Not even an attempt was made to support the so much needed understanding between Romanians and Hungarians with rational reasons and by invoking the interests of a common Europe. Geza Domokos acted appropriately in Parliament, and so did Geza Szocs on television and Laszlo Tokes in the press when they rejected on their own behalf and on behalf of the endangered Hungarians of Romania the disturbance caused in Eger, as well as the chauvinist Romanian reverberations that followed.

Undoubtedly, it is the purpose of debates at the RMDSZ Congress, and it is our realistic responsibility as a people in the framework of nationalities joining together to eliminate emerging mistakes, to confront our enemies in a tougher way and to find our democratic allies on the Romanian side as well as abroad. As a simple member of the RMDSZ I expect with confidence an internal critical catharsis, but I felt that it was my duty to speak out against irresponsible external interference.

Verbal Clashes in Parliament

91CH0641B Bucharest ROMANIAI MAGYAR SZO
in Hungarian 8 May 91 pp 1, 6

[Article by Gyozo Roman: "Writing From the House of Representatives; A Volley Aimed at Tokes"]

[Text] The House of Representatives began its work with a celebration. Representatives remembered Ion C. Bratianu, the outstanding Romanian politician of the 19th century. Barely were the words of reverence spoken, when RNEP [expansion not given] Senator Ioan Gavra stepped to the microphones and cursed us up and down on grounds of the Eger conference, moaning about having disregarded the national sensitivities of Romanians—without bothering to mention the sentiments of Hungarians. He became so outraged as a result of the Friday showing, and the Monday repeat showing of a video cassette on Romanian television that he confused geographical regions and historical dates, and in his great effort he more than once overstepped the mark. Even though his fellow representatives applauded him several times, they also smiled on occasion. Nevertheless, Romanians of Transylvania would certainly accept his statements as the truth, and this countryman from Kolozsvár was very much aware of that. "Ladies and Gentlemen, Bishop Tokes said that Transylvania was in great danger. But he failed to explain his thought by telling from where that great danger was coming. But it is easy to answer the question of who desires, who wants to have the land of Transylvania." Everyone knew that Hungary was the enemy after he mentioned Eger, located in the "puszta." Moreover, the Hungarian people as a whole are the enemy, because in Brassó they established

the Association for Hungarian Culture in Transylvania [EMKE], a chauvinist organization in his view, one that wants to wipe out Romanian culture and is intent on denationalizing the Romanian people. He did not mention that [EMKE does so only] after the Romanian Astra [as published]. The speaker became so involved in his reasoning that he demanded no more and no less from the government than to outlaw EMKE. And as long as he demanded this much, he immediately added that Laszlo Tokes should be sued, and that "every person who casts an adverse light on the homeland" should be convicted.

Bela Nagy was the first RMDSZ representative to step to the microphone. "In this Parliament, at this pulpit the Hungarian minority has been embarrassed, maligned, characterized by adjectives and mocked more than once, not to mention the fact that the history and political goals of the Hungarian minority have been distorted, just as this was done today. These extremist actions which unequivocally represent the rejection of the idea of being different have slowly become the fixtures of the legislative body."

I need not say that the majority rumbled and swarmed during the entire speech, they did not like what they heard. At the same time Mr. Gavra jumped to his feet and yelled, oblivious of what was going on. Moreover, everyone in the chamber began to applaud when the speaker explained that extremism on one side produced extremism on the other. Incidentally, he did not permit Geza Domokos to speak. He constantly disrupted Domokos' speech, even though no one disrupted Gavra while he had the floor, despite the fact that he made statements that were rather false.

Domokos pointed out this fact in his speech. At the same time Domokos said that the events at Eger were overly magnified and that those events did not merit so much discussion. At the same time he rejected the extremist statements that were made in Eger, and said that these statements were made by persons who played no role in Hungarian politics. Domokos also mentioned that Representative Bela Nagy already delimited himself from certain statements at the meeting. And insofar as Bishop Tokes' role was concerned, one should listen more closely to what he had to say, because Tokes envisioned the threat in the emigration of Hungarians from Transylvania, and in the fact that this threat was real. With respect to autonomy Tokes regarded this matter as lacking foundations.

A majority of those who spoke in the House of Representatives attacked Tokes. They demanded that he be summoned to face the law. It was apparent that many felt hurt by the fact that Tokes, and not a Romanian catalyzed the December change. Cornel Nica, a member of the Social Democratic Party said that the newspaper ROMANIA MARE was correct insofar as nationalities were concerned. Augustin Boti, a member of the Front, sought condemnation of those who offended Romanian national sentiments and asked where Ana Blandiana or

Mihail Sora, the great teachers of the Romanian people were. I will tell them where they are: they are not among the nationalists.

Dan Martian also commented in the course of debate. Responding to Bela Nagy he said that at last, the wreath was laid to remember the [1848] Arad Martyrs and that the [Hungarian national holiday] 15 March had been celebrated. This should prove that many things could be accomplished as a result of negotiations. Perhaps the President of the House of Representatives said these things with good intentions, but the two examples suffice only to prove that a surrender by the Hungarians of their rights may produce calm for a while, but their problems cannot be resolved this way. This is so because preceding Mr. Dan Martian's speech they praised several times the ROMANIAN MARE which is chauvinist down to its socks and the PHOENIX as newspapers which stand up in support of the interests of Romanians,

and Martian did not object to such statements. But no one made mention of the number of instances in which these newspapers trampled upon our self respect as a nationality.

Interestingly, Temesvar [Timisoara] Senator Claudiu Iordache was not preoccupied with the above described matter. He was more interested in the fact that personal files that got into the hands of the Securitate were used for extortion against several prominent people of the country. "Behind closed doors one should examine the previous activities of members of parliament, and whoever worked with the Securitate should now remove himself. We must start on the path of truth, at last," according to Iordache, one of the leading figures of the Temesvar revolution. He was applauded. I was watching Mr. Gavra, he was fidgeting in his chair and did not applaud. Such an examination would shed light upon a lot of things in his past, of course.

Training, Arming of Croatian National Guards
91P20400C

[Editorial Report] Belgrade BORBA in Serbo-Croatian on 24 June on page 9 and on 25 June on page 13 carries two articles by V. Krasic on special training for "elite military units" of Croats. Krasic reports that camps have been formed for the recruitment and training of Croatian National Guards for special activities in Sljeme near Zagreb, Kumrovac, Rakitje, Western Herzegovina, and Sandzak. Under the instruction of "the most extreme members of the Croatian Nation-Building Movement and specialists of the German Intelligence Service, volunteers are being trained and mercenary groups are being created," Krasic states. The individuals entrusted with implementing this "military strategy" are Deputy Minister of Defense Zvonko Susa and his aides Josip Perkovic and Tomljenovic. Zvonko Susa and Jure Mrsic, director of the Agency for Restructuring the Economy of Croatia, are in charge of all the illegal arms transactions for Croatia. According to the paper, Jure Mrsic is said to be the most powerful man in Croatia and is the "leader of the so-called Herzegovina financial underground." He is in direct contact with Croatian emigres. Well-informed sources in Croatia point out that over \$6 billion are available for the purchase of supplies for the military units and need to be "laundered" as soon as possible, since most of the money comes from the illegal sales of drugs and arms, tax evasion etc., Krasic writes. A special "military-propaganda plan" has been drafted for Bosnia-Herzegovina according to which the three ethnic groups of the republic would be alienated from one another and Muslims and Croats are being armed and organized into "fanatical shock troops," ready to fight for "the creation of a greater Croatia, liberation of Sandzak, secession of Kosovo from Yugoslavia, and creation of a greater Albania." According to the paper, the military analysts of the Croatian leadership feel that sufficient infantry weapons have been brought into Croatia and that a new phase is ahead in which the mobility of the troops should be increased. As part of this new phase, the paper adds, the primary task is to obtain possession of 600 all-terrain Puch vehicles that

have already been purchased and are in Austria. The paper also reports a secret conversation, which had been leaked, between Antonije Lekic, a leader of the Croatian Democratic Community in Zagreb tasked with the military program, and a leader of the Croatian Nation-Building Movement identified only as "Stedula," who discussed plans approved in a meeting with Tudjman, Mrsic and Susa on the purchase of "laser equipment" and "weapons with silencers" for "the silent, night killing of Serbs."

Armed Chetniks Infiltrated Slavonia
91P20400B

[Editorial Report] Zagreb VJESNIK in Serbo-Croatian on 24 June on page 3 writes that it has been confirmed that a rather large number of armed Chetniks have infiltrated the eastern part of Slavonia. According to the paper, they are hiding in villages with Serbian families, which are pressured by the Serbian extremists to receive them: "Otherwise they would be declared traitors and threatened with liquidation." The paper reports an incident in which 150 armed Chetniks stopped a bus a week earlier in Slavonia and terrorized its passengers.

Sale of Ustasha Items Condemned
91P20400A

[Editorial Report] Zagreb VJESNIK in Serbo-Croatian on 23 June on page 15 condemns the sale of Ustasha [a Croatian extremist nationalist group] symbols, audiocassettes with marches, and other items such as posters and cigarette lighters with pictures of Ante Pavelic [leader of World War II Independent State of Croatia] at the Zagreb Jelacic square. "The stands at which the Ustasha symbols are being sold have transformed the Jelacic square, which was conceived as a matter of national pride, into one of the greatest national disgraces," the paper states. The sale of such articles is not "befitting a government which claims to be the most democratic of all the republics in Yugoslavia," the paper adds, urging the city government to do something to discourage and condemn these "neofascist" displays.